



# Is Botha Set to Free Mandela?

## Groundwork Laid for Dialogue With Black Leaders

By William Claiborne  
*Washington Post Service*  
**JOHANNESBURG** — Signs have emerged that President Pieter W. Botha of South Africa, anxious to engage black leaders in a political dialogue before the national elections in 1989, has embarked on a plan that would lead to freedom for the black nationalist leader, Nelson Mandela, and other imprisoned black leaders.

Publicly, Mr. Botha has scoffed at such speculation, belittling journalists for competing with one another in "composing wild dreams" about Mr. Mandela's release.

At a provincial convention of the ruling National Party a week ago, he said the government would not talk with the African National Congress, the outlawed black nationalist guerrilla organization. But the president, by his words and deeds over the last six months, appears to be trying to placate the extreme rightist Conservative Party, which made inroads in last May's whites-only parliamentary elections at the expense of Mr. Botha's ruling National Party.

Cabinet officials admit that the thrust of the government's actions since the elections has been to lure the ANC and its supporters into power-sharing negotiations by removing obstacles that black nationalists have said block their participation.

Some black leaders, such as Archbishop Desmond M. Tutu, have said repeatedly that it would be unthinkable to consider joining in negotiations with whites as long as the legal pillars of apartheid, South Africa's system of racial segregation, remain in place.

Mr. Botha responded last month by giving the government's endorsement to limited reforms of the Group Areas Act, which strictly segregates communities by race. Although the reforms maintain the principle of housing segregation, they would, for the first time, permit integrated communities where residents want them.

At the same time, government officials began talking about the need for elasticity in defining racial groups, a shift that seemingly calls into question the principles of the Population Registration Act, which classifies all South Africans by race at birth.

Some black leaders, such as the Zulu chief, Mangosuthu Buthelezi, have said that they would not consider joining in negotiations as long as Mr. Mandela, who heads the ANC, and other leaders of the group remain imprisoned.

By releasing one ANC member, Govan Mbeki, 10 days ago after he had served 23 years of a life sentence for sabotage and treason, Mr. Botha appears to have begun a process that will satisfy Chief Buthelezi's condition and bring him to the negotiating table.

In its attempt to win wider approval of its efforts to promote a political dialogue with blacks, the government has recently implemented a number of reforms.

Viewed as a whole, the reforms over the past six months represent perhaps the most intense period of change since the National Party came to power in 1948.

Among the changes:

- Following recommendations on the Group Areas Act by the advisory President's Council, Mr. Botha said it is no longer practical to separate races by residential area when some white South Africans want to live in mixed-race neighborhoods.
- After reversing his long-standing position by declaring that renunciation of violence was no longer decisive in determining the release of security prisoners, Mr. Botha freed Mr. Mbeki, 77.
- A dozen more central business districts throughout South Africa were opened to all races, bringing the total of integrated business districts to 55.
- The government launched a nonracial Joint Executive Authority to administer Natal Province and the self-governing tribal "homeland" of KwaZulu. While it does not have lawmaking powers, the joint authority is viewed by proponents as a major step toward a single, nonracial legislature for Natal-KwaZulu.
- Most movie houses in South Africa were desegregated under pressure from U.S. film distributors but with the acquiescence of the central government.
- The current budget increased expenditure on black education by 40 percent, while spending on white education increased only 8 percent. The government has held fast, however, to its policy of strict segregation of public schools.
- As part of its policy of pacifying black townships and co-opting radical blacks who had virtually taken over the administration of the ghettos, the government began pumping millions of dollars into the upgrading of the townships' services.
- The government agreed that some black members of its proposed National Council, intended to draft a new power-sharing constitution for South Africa, may be elected rather than appointed.
- Anti-apartheid activists condemned the proposal as "tokenism," and the government conceded that each of the nine elected black leaders would represent 1 million people, compared to about 20,000 for elected white members of Parliament.
- But the National Council election, if approved in the next session of Parliament, would be the first time in South Africa's history that blacks were allowed to exercise an electoral franchise on the national level — unless they boycott the election.



**TIBETANS PROTEST IN NEW DELHI** — Tibetan demonstrators confronted Indian policemen in New Delhi on Monday during protests against border talks between India and China in the Indian capital. About 500 Tibetans, who live in exile in southern India, joined the protest. Demonstrators burned Chinese flags and sang the Tibetan national anthem, saying that India shares a border with Tibet, not with China.

## 4 Blacks Killed In Natal Violence

*The Associated Press*  
**JOHANNESBURG** — Four blacks were killed and seven were injured in the latest series of violent clashes in the black townships around Pietermaritzburg in Natal Province, the police said Monday.

More than 150 blacks have been reported killed in the area this year. The main combatants are the United Democratic Front, the largest anti-apartheid group in South Africa, and Inkatha, a political organization headed by the Zulu leader, Chief Mangosuthu Buthelezi.

Inkatha opposes economic sanctions against South Africa, while the United Democratic Front advocates them and is active in organizing anti-government protests. The two sides have been engaged in a bitter struggle to increase membership and influence in the Pietermaritzburg area.

## 26 Killed, 56 Hurt as DC-9 Crashes On Takeoff in a Denver Snowstorm

By Thomas J. Knudson  
*New York Times Service*  
**DENVER** — A Continental Airlines DC-9 jetliner crashed Sunday afternoon while taking off in a snowstorm here, killing 26 persons and injuring 56.

Officials said Flight 1713, bound for Boise, Idaho, with 77 passengers and five crew members, crashed at Stapleton International Airport. The flight originated in Oklahoma City.

Driving snow reduced visibility to three-eighths of a mile (about 600 meters) and winds gusted to 18 mph (about 30 kph), well below the definition of a blizzard, according to the National Weather Service, which is located at the airport.

The plane skidded out of control for about a quarter of a mile before sliding off the runway northeast of the main terminal. It flipped onto its back and broke into three pieces, officials said. There were conflicting reports about whether the plane became airborne, but a Continental spokesman said witnesses saw it leave the ground.

Officials said the runway was covered with thin wet snow.

Three of the 36 injured were in critical condition at Denver General Hospital, a spokesman said. Twenty-one persons with minor injuries were able to walk away from the plane.

The pilot and co-pilot were among those killed. Officials said the deaths and injuries were caused by the impact and out by fire.

Weather conditions made rescue operations difficult and some of the injured were trapped in the wreckage for more than five hours. Doctors and paramedics battled

## Woman Is Killed in Bangladesh Clash

**DHAKA, Bangladesh (Reuters)** — Policemen fired tear gas Monday at protesters throwing home-made grenades in Bangladesh, where shops and factories were again shuttered by strikes aimed at bringing down President Hussain Mohammed Ershad. A woman caught between policemen and strikers was killed when the police fired at people throwing grenades in Sherpur, 80 miles (130 kilometers) from Dhaka.

After the government lifted a weeklong ban on public meetings, more than 10,000 people gathered in central Dhaka to hear opposition leaders, who vowed to continue the campaign. Nearby, about 8,000 people, including cabinet members, attended a rally of the governing party, the Jatiya Dal. Fighting erupted after the police moved to stop opposition supporters marching on Jatiya Dal offices after the rally.

## 14th Game of Chess Match Is Drawn

**SEVILLE, Spain (AP)** — Garry Kasparov, the world chess champion, and his challenger, Anatoli Karpov, agreed to a draw Monday after 21 moves in the 14th game of their 24-game match.

Mr. Kasparov now leads the match by 7.5 points to 6.5. Mr. Kasparov has won three games, Mr. Karpov has won two and nine games have ended in draws. The first player to win 12.5 points or six victories will be the champion.

**GAME 14**  
**CARO-KANN DEFENSE**

White Kasparov	Black Karpov	White Kasparov	Black Karpov	White Kasparov	Black Karpov
1. e4	c6	8. h3	Bx3	15. c4	Rd8
2. d4	d5	9. Qe3	Qc5	16. Qb3	Qe7
3. Nd2	d6	10. Bc2	a6	17. g3	Bb6
4. Nc4	Nf7	11. 0-0	Bd6	18. Bc3	Rd7
5. Nf3	Ng6	12. Qc3	Be7	19. Rd2	Rf8
6. Nxf6+	Nxf6	13. Bf3	Qc7	20. Rd1	b6
7. c3	Bg4	14. Rd1	0-0	21. a3	Draw

## WORLD BRIEFS

### 27 Tamils and an Indian Die in Battle

**COLOMBO, Sri Lanka (AP)** — Indian troops killed 27 Tamil guerrillas in a battle Sunday in eastern Sri Lanka after foiling an ambush by the Liberation Tigers of Tamil Eelam. Sri Lankan military officials said Monday. They said one Indian soldier was killed.

Earlier over the weekend, two government supporters were slain, reportedly by radicals of the majority Sinhalese ethnic group, and four Tamil rebels were killed when they laid a mine in the northern Jaffna Peninsula, then apparently drove over the device by accident.

The fighting Sunday at Vandaramoolai, 12 miles (19 kilometers) northwest of Batticaloa on the island's east coast, came after a helicopter providing surveillance for an advancing column of Indian troops detected an ambush. More than 20,000 Indian soldiers are in Sri Lanka to enforce a peace accord aimed at ending four years of Tamil separatist fighting.

### Turkey Detains 2 Communist Leaders

**ANKARA (Reuters)** — Two Turkish Communist leaders were detained Monday by the police upon arriving at an airport near here after seven years of self-imposed exile abroad, their lawyers said.

Haydar Kutlu and Nihat Sargin were taken away by the police shortly after their flight from West Germany landed at Esenboga Airport, 19 miles (30 kilometers) northeast of Ankara.

A state security official said earlier that both men, who fled Turkey at the time of the 1980 military coup, could face up to 15 years in prison if charged and convicted of leadership and membership in an illegal organization.

### West Germany Jails U.S. AIDS Victim

**NUREMBERG (AFP)** — An American infected with the AIDS virus was imprisoned here Monday for two years for failing to tell his sexual partners about his condition.

Linwood Boyette, 46, a former cook with the U.S. armed forces in West Germany, was charged with behaving "in a way dangerous to his partners" and of violating laws on epidemic diseases.

Mr. Boyette, who is bisexual, was said to have endangered the health of three partners from June 1986 to January 1987. His lawyer had asked for his release, saying there was no proof that his client had intended malice.

### More Strikes Disrupt Italy Air Travel

**ROME (AP)** — A series of flight cancellations caused by a strike Monday at Rome's main international airport began what promises to be the worst week this fall for air travelers in Italy.

Work stoppages by ground workers at Leonardo da Vinci Airport, forced Alitalia, the state-run airline, to cancel 60 national and international flights Monday.

A four-hour national strike by ground workers is to cause delays and cancellations throughout Italy on Wednesday, officials said. Alitalia pilots, technicians and flight attendants are to strike Friday and Saturday, with only flights to Italian islands guaranteed, and ground workers have scheduled a 24-hour strike Sunday at Leonardo da Vinci Airport. All the strikers are seeking wage increases.

Britain and Spain apparently failed Monday to agree on sharing the Gibraltar airport in a new round of talks to unblock a European Community plan for cheaper air fares. Both sides agreed not to comment on the talks at the Spanish Foreign Ministry in Madrid. (Reuters)

United Airlines operated on schedule Monday after negotiations for the airline and its mechanics, baggage handlers and other workers reached a tentative agreement, averting a strike by 20,300 union members. Neither side would comment on the content of the agreement. (UPI)

Sudanese air space was closed for 24 hours Monday because of a strike by civil aviation employees, air industry sources said in Cairo. (AFP)

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### Iraq, U.S. Sign Cultural Pact

**BAGHDAD** — Iraq and the United States signed a five-year agreement Monday for scientific, educational and cultural cooperation.

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### Investigators Certain Flaps Not Extended in Detroit Crash

*United Press International*  
**ROMULUS, Michigan** — Investigators are certain the crew of Northwest Flight 255 failed to extend the plane's wing flaps and slats before taking off and crashing, killing 154 people Aug. 16, the chief investigator for the National Transportation Safety Board testified Monday.

John B. Drake was the first witness at a public hearing into the nation's second-worst air disaster. The MD-80 crashed and burned shortly after taking off from Detroit for Phoenix, Arizona, killing 154 of 155 people aboard and two people on the ground.

Mr. Drake said information obtained from both the cockpit voice recorder and the flight data recorder indicated that the flaps and slats were in the fully retracted position when the airliner took off. They should have been in the extended position.

He offered no explanation as to why the crew might have failed to put the wing flaps and slats in the proper position prior to takeoff. He said investigators examined the wiring and components of the aircraft's electrical warning systems and found no defect "that would account for the failure of the take-off warning system to alert the crew of the Flight 255."

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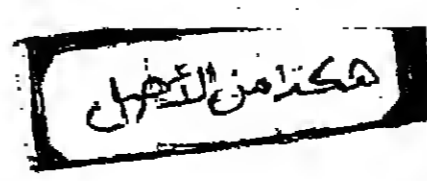
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BRIEFS

Indian Die in Battle... Sri Lankan military officials... killed.

Bangladesh Clash... Police fired tear gas Monday... in Bangladesh.

Chess Match Is Drawn... Kasparov, the world chess champion... agreed to a draw Monday.

Table with columns: ANN DEFENSE, Black, White, and names like Karpov, Kasparov.

Communist Leaders... Turkish Communist leaders were... arriving at an airport near here.

ails U.S. AIDS Victim... American infected with the AIDS... for two years for failing to tell his sex.

er cook with the U.S. armed forces... behaving in a way dangerous to... on epidemic diseases.

EL UPDATE

rupt Italy Air Travel... flight cancellations caused by a... national airport began what promises...

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Reagan Calls Wright on Carpet Over Nicaragua

WASHINGTON — President Ronald Reagan "expressed his concern" Monday to Jim Wright, speaker of the House of Representatives, over the Texas Democrat's involvement with the Central American peace accord.

Mr. Wright, who met with reporters after his session with Mr. Reagan, heatedly defended his involvement and asserted that he would continue to "have an open door" to both sides in Central America.

Mr. Wright went to the White House after heavy criticism from administration officials and the House Republican leader, Representative Robert H. Michel of Illinois, following his meeting Friday with President Daniel Ortega Saverio of Nicaragua.

Amnesty Plan Proceeds... William Branigan of The Washington Post reported from Managua: The Sandinist government plans to release at least 984 political prisoners this week under an amnesty that has been criticized by opponents and by hard-line supporters of Nicaragua's leftist government.

U.S. aid to El Salvador Is Misused, Panel Says... By Neil A. Lewis New York Times Service WASHINGTON — A bipartisan congressional caucus has asserted that U.S. aid to El Salvador has largely been misused by the Salvadoran military and the governing party to conduct the civil war against leftist rebels.

control of the Salvadoran military... The report was released over the signatures of Senator Mark O. Hatfield of Oregon and Representative Jim Leach of Iowa, both Republicans, and Representative George Miller, a California Democrat.

Only a small portion of the aid is used for land redistribution, economic development and improving the country's judicial and police system, the caucus said.

The study recommends that Congress shift the nature of U.S. aid to assure that it is used largely for programs such as clean water, nutrition, health care and education. It also recommended that all aid to the police be suspended and that U.S. assistance be linked to the Salvadoran government's willingness to comply with the recent Central American peace accord.

The study said that, in a violation of U.S. law, Salvadoran military commanders controlled the distribution of some food and economic aid. The report disclosed an agreement between the Salvadoran military chief of staff, the defense minister and President José Napoleón Duarte that ensured that local military commanders decided which villages were eligible for economic aid.

Lino Hernández, head of the nongovernmental Permanent Commission on Human Rights and a strong critic of the Sandinists, said many of the prisoners being pardoned were about to complete their sentences or had already served their time.

According to the government, the list presented to the National Assembly includes 188 National Guardsmen and 763 contras, out of a total of about 4,300 prisoners held on security charges. The Permanent Commission on Human Rights maintains, however, that Sandinist prisons hold more than 9,000 political prisoners, including about 7,000 accused as contras.

How the government chose those who will be released is unclear. Vilma Núñez, head of a Sandinist human rights commission, said she originally submitted a proposal to the government in March to free 618 contras and guardsmen. Later, she said, she gave Mr. Ortega an additional list of 726 cases, for a total of 1,344.

Ms. Núñez said that, of those on her original list of 618, only 161 were named in the amnesty proposal sent to the legislature.



KILLER TWISTERS — Mobile home owners in Caldwell, Texas, picking through wreckage of their caravans after tornadoes swept through Texas and Louisiana, leaving 11 persons dead and more than 160 injured.

U.S. Aid to El Salvador Is Misused, Panel Says

WASHINGTON — A bipartisan congressional caucus has asserted that U.S. aid to El Salvador has largely been misused by the Salvadoran military and the governing party to conduct the civil war against leftist rebels.

A report by the Arms Control and Foreign Policy Caucus said Sunday that the way economic and military aid was being given to El Salvador was worsening the country's chances for peace and economic recovery.

The report maintained that, despite Reagan administration assertions, three-fourths of the \$429 million in U.S. aid was being used to further the war.

U.S. aid to El Salvador has been an area of substantial controversy in Congress throughout the tenure of the administration.

The report, which was to be distributed to all 130 caucus members Monday, was a follow-up to a similar study the caucus produced two years ago. At that time, caucus staff members traced actual expenditures rather than budget classifications and disputed the administration's contention that most of the U.S. aid went for economic relief.

A State Department spokesman, Charles E. Rodman, said of the new report: "We reject the assertion that the aid is not being used as intended. We have consulted fully with Congress on all our aid programs to El Salvador." Further, he said, none of the aid "is under the



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Simon Leads Democrats in Iowa Poll Shows Dole Is Ahead of Bush in Republican Field

By E.J. Dionne Jr. New York Times Service WASHINGTON — Senator Paul Simon of Illinois has emerged as the clear leader in Iowa in the contest for the 1988 Democratic presidential nomination, according to a new poll.

In the Republican contest, the Iowa Poll, which was conducted by The Des Moines Register and made public Sunday, gave Senator Bob Dole of Kansas the lead with 36 percent, followed by Vice President George Bush with 30 percent.

The survey confirmed what has been a clear trend in Mr. Simon's favor in Iowa, the first crucial testing ground in the presidential nominating contests. It also measured a leveling-off in support for Representative Richard A. Gephardt of Missouri. Mr. Gephardt, who had led the Democratic field in a Register poll released in September, fell to third place in the new survey.

The survey of 330 Democrats who are deemed likely to vote in Iowa's caucuses on Feb. 8 gave Mr. Simon 24 percent to 18 percent for Governor Michael S. Dukakis of Massachusetts. Trailing them were Mr. Gephardt, with 14 percent; the Reverend Jesse L. Jackson, 11 percent; Bruce Babbitt, a former governor of Arizona, 8 percent; and Senator Albert Gore Jr. of Tennessee, 5 percent.

In the survey of 312 Republicans who are likely to attend the caucuses, Mr. Dole and Mr. Bush were far ahead of their rivals. Among those who trailed were Representative Jack F. Kemp of New York, with 9 percent; Pat Robertson, a former television evangelist, 8 percent; Pierre S. du Pont 4th, a former governor of Delaware, 5 percent; and Alexander M. Haig Jr., a former secretary of state, 2 percent.

The poll, taken from Oct. 29 to Nov. 12, had a margin of sampling error of plus or minus six percentage points.

The Iowa Poll traced Mr. Simon's dramatic rise in recent months. The New York Times-CBS News Poll conducted in Iowa from Oct. 21 to 27 also showed the Illinois senator ahead, although by a statistically insignificant margin.

Mr. Simon has been aided by several factors. Many workers in the campaign of Senator Joseph R. Biden Jr. of Delaware shifted to Mr. Simon's campaign after Mr. Biden withdrew from the race in September. And in a contest that has been dominated by a stream of disclosures about other candidates, Mr. Simon has profited from an image of sober rectitude. He also has won support from Democratic liberals, drawn by his defense of traditional party principles.

Mr. Gephardt, who has been on the defensive lately for his advocacy of tough measures on foreign trade, said he was not worried. "I don't want to peak in November," he said. "I want to peak on Feb. 8 in Iowa."



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RESPONSIBLE JOURNALISM

Since December 1985, the Journal has run six editorials lambasting Pennzoil and defending Texaco, under such headings as "Texas Common Law Massacre" and "Ten Gallon Outrage." These editorials clearly misrepresent what the litigation is all about. At best, they are one-sided and demonstrate an abysmal ignorance about the case.

It's unfortunate that an important national newspaper for the business community is so blatantly one-sided in its editorial treatment of a private dispute between two litigants. The Journal, of course, is entitled to its editorial opinion. But allowing editorial bias to spill over into the news pages, as the Journal did with its front page hatchet job called "The Quality of Justice" (Nov. 4), violates the basic tenets of responsible journalism.

Not content with blasting Pennzoil, the Journal has broadened its attack to include the entire judicial system of Texas.

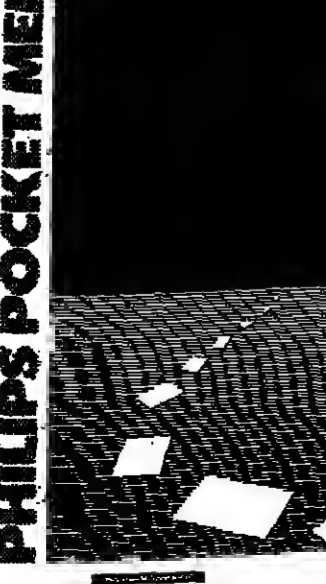
It's time to set the record straight. For instance:

- The Texas Supreme Court did not "refuse to review" the case. On the contrary, in accordance with customary appellate court procedure, the nine justices and their clerks spent four months reviewing the following Texaco documents: a 352-page brief, a 48-page addendum, a 97-page appendix, 27 pages of charts, and a 148-page reply brief, for a total of 672 pages of documents. Pennzoil submitted a 365-page reply brief, a 64-page appendix I and a 325-page appendix II, for a total of 754 pages of documents. The court thus reviewed, for both sides, 1,426 pages of documentation on the record in the case. More than 85 lawyers from both sides spent thousands of man-hours preparing these documents, which laid out every facet of the case in exhaustive detail. In addition to thorough examination of the briefs, the nine justices also reviewed the appeals court ruling in the case, together with the trial court record of the case. The court's review of these voluminous documents over a four-month period led to its conclusion that no reversible error existed in the lower court ruling and that no useful purpose would be served by dragging the matter out another six to nine months. Further, while attacking Texas for having an elected judiciary, the Journal failed to note that 4/5ths of the states elect their judges at some level, either trial, appellate or Supreme Court. Far from being an oddity, Texas is in the mainstream on this matter. But you don't find that in the Journal. Nor did the Journal mention that the trial judge in Pennzoil-Texaco recently won the Texas Bar Association's "outstanding jurist" award. It also failed to note that the three appeals court judges who affirmed Pennzoil's judgment ranked at the top of a recent evaluation by members of the Houston Bar Association. In fact, the judge who wrote the opinion was rated "outstanding," the highest possible ranking. But you don't find that in the Journal. The Journal is happy to condemn the entire Texas judiciary, but fails to mention that the Chancery Court in Delaware and the Federal Courts have also ruled in Pennzoil's favor on many of the key issues about which the Journal expresses such outrage.

The quality of journalism has indeed sunk to a low level when a major newspaper resorts to distortion, bias and misstatements of facts and applicable law to advance the cause of a private litigant who has been found to have committed a serious wrong in reckless disregard of the rights of others. It is particularly reprehensible to do so by mean-spirited bashing of judges and jurors who have conscientiously discharged their duties as citizens of this country and who have no meaningful way of protecting themselves and their reputations from such vicious attacks.



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Birthing a Budget Mouse

Black Monday, Oct. 19, sent waves of apprehension around the globe, but the shock caused only a rumble in official Washington. After three weeks of deficit-reduction negotiations it is still politics as usual.

pointment. Another \$5 billion in reductions this year is nothing more than one-shot sales of government assets. Overall, the package is just a few billion more than specified by the Gramm-Rudman law.

Wright Goes Too Far

You don't have to be an admirer of the Reagan administration's Central America policy to wonder what Jim Wright is doing in the Nicaragua negotiations.

Ortega but about Jim Wright, who knows how the American system should operate. Political circumstances put the contra aid in his hands; that is the basis of the special power he wields in this situation.

An AIDS Secret to Keep

Testing to help curb the AIDS epidemic can be either voluntary or compulsory, but that is a choice only in theory. A compulsory program would drive underground the intravenous drug abusers and gay men who most need to be reached.

partners has proved effective in controlling syphilis and venereal disease. With the AIDS virus, there is little treatment yet to offer. Still, informing people that they are infected may save them from infecting others.

Polling, Communist-Style

The Chinese long ago dismissed public opinion polling as a trapping of bourgeois liberalism: Why would a party that embodies public opinion need polls? But on the eve of their recent congress, party leaders decided that Deng Xiaoping's creed, "Seek Truth from Facts," would be well served by the bourgeois device.

of Sociological Studies conducted a random telephone poll last month. It found that 53 percent of respondents favored "total withdrawal of Soviet troops from Afghanistan" and 73 percent approved "issuing exit visas to Soviet citizens and their families who wish to leave the U.S.S.R. for good."



China: A Talk With Zhao, on Mao and the Future

By Harrison E. Salisbury

BEIJING — Three days after becoming secretary-general of China's Communist Party, Zhao Ziyang relaxed over dinner at the leadership compound of Zhongnanhai in the Forbidden City and told how Deng Xiaoping had insisted on stepping down, as Mr. Deng put it, "before my mind becomes confused."

building where Mr. Zhao received me, in September 1976. His quarters were shown for the first time to Western correspondents as part of the 13th party congress coverage.

other regional party workers had quietly encouraged some of the practices that now have led to prosperity in China's vast countryside.

who are devoted to the people, to their interests and to a realistic approach." Chinese society, he said, is beginning to become more democratic, and in that process the first place where democracy must take hold is in the party and its Politburo.

South Africa: The Thinking on Mandela

By Hermann Gilioe

CAPE TOWN — The release from prison of Govan Mbeki, an African National Congress leader, on Nov. 5 signals a giant leap toward one of the unthinkables in South Africa: Nelson Mandela moving freely in his homeland.

act in a process that starts with freeing Mr. Mbeki and later Mr. Sisulu. Provided no upheaval takes place, Mr. Mandela could be released in months.

Let's Stop This Journalistic Voyeurism

By David S. Broder

WASHINGTON — When I was sent out on the presidential campaign trail for the first time in 1960, I was introduced to the ritual of "saving the blacks." It was not a civil rights project but an arrangement for mutual self-protection among reporters.

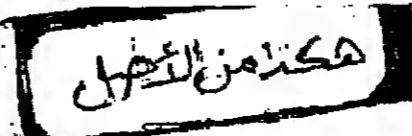
the news, as marijuana smoking did in the aborted Supreme Court nomination of Judge Douglas Ginsburg, politicians rush forward to confess their own record. They fear that if the information is not volunteered, they will be judged even more harshly when it does come to light.

repeatedly asserted to reporters, campaign workers and supporters that he would not embarrass them by repeating the kind of actions that had concerned them in the past.

INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1958-1982 KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER Co-Chairmen

100, 75 AND 50 YEARS AGO 1887: Counsel for Russia ODESSA — Alexander III is undoubtedly a monarch actuated by good intentions, but he lacks wise and trustworthy counsellors. He stands virtually alone at the helm of the most cumbersome and centralized legislative organization in the world.

1937: New 'Flying Boat' BALTIMORE — The Glenn L. Martin Corporation announced today [Nov. 16] the completion of a huge new plane, described as the first flying boat capable of crossing the Atlantic Ocean nonstop with a commercial load of mail and passengers.



OPINION

For Gorbachev's U.S. Visit, Try This Didactic Itinerary

By George F. Will

WASHINGTON—There was talk for a while that Mikhail and Raisa Gorbachev might extend their December sojourn in America. Perhaps they had noticed something that suggested how uncritically they would be received. In any case, the longer they stay, the more scope there is for devising a didactic itinerary for them.

Gorbachev should visit Pearl Harbor, America's uncollected grain belt, perhaps a bookstore to pick up something by Solzhenitsyn or Brodsky.

when the Soviet Union's ally, Hitler, broke their alliance. The guide can congratulate the Soviet Union for being the only nation that began the war allied with Hitler that suffered no postwar change in the nature of its regime.

The Gorbachevs will be in America on Dec. 8, still a good day to visit Pearl Harbor. There they can contemplate the axiom, ignored by Japan, "When you strike a king, kill him." Then the tour can move on to some California laboratory where work is being done on the Strategic Defense Initiative, which will complicate any Soviet war-planner's attempt to kill the United States with a first strike.

On the way back east, Mr. Gorbachev should be shown the camps where Japanese-Americans were held during the war. His guide can explain the difference between a few camps that were a short-lived apostasy from national principles, and a sprawling archipelago of camps that are a 70-year expression of the essence of a regime.

the 70th birthday party for totalitarianism was called "cautious," although in it he called "basically correct" Stalin's forced collectivization of agriculture.

That adventure in scientific socialism killed seven million Ukrainians in 1932 and 1933. Mr. Gorbachev, who numbered Stalin's victims in the "thousands," criticized Stalin primarily for killing people like Mr. Gorbachev—party people devoured in the purge. But Mr. Gorbachev applauds the agricultural "transformation" achieved, with the help of a terror famine, at a cost of 15 million lives.

Given that such Gorbachevian caution wins Western applause, imagine the ovation that awaits him at the summit. It is going to be déteine redux. Thus it is grim to fantasize about devising for him a didactic itinerary full of impolite sights.

The president should take him up to the solarium on the third floor of the White House for a panoramic view of a demonstration in favor of Soviet Jewry. About three million Jews live in the mid-Atlantic region. It should be possible for Jewish organizations to get 400,000—one for every Soviet refusenik—to rally.

The Soviet regime likes to suggest to visitors that the United States has lived a sheltered life and has no knowledge of war. So Mr. Gorbachev should be taken to Anisquam, in Maryland, where on Sept. 17, 1862—still the bloodiest day in American history—20,000 Americans died, more than the number of Russians killed by Napoleon at Borodino.

The Soviet Union has bigger cemeteries, because of World War II, and it offers them as proof that the Soviet Union is peace-loving. While Mr. Gorbachev is touring Anisquam, his guide should acknowledge Soviet suffering that resulted

share of Western defense costs borne by the United States. His strategic detente with the U.S.S.R. on U.S. military spending from 74 percent of GNP in 1949 to 42 percent in 1981. The result was short-lived: recent fear of a Soviet military buildup at the advent of the Reagan administration in 1981 caused U.S. military spending to increase rapidly.

Mr. Sakamoto also points out that while Washington's expansionary policies helped the Western allies survive the OPEC oil shocks in the 1970s, those policies drastically lowered the U.S. payments deficit.

Mr. Mead focuses on the need for Third World population growth and mechanized farming to produce an "enormous potential work force" in less advanced nations, while the U.S. is overpopulated and its management and management of advanced Western industries is ahead to take advantage of its low-wage workers. Third World industrial development thus presents a dilemma—rapidly rising wages, but social immobility.

The rest of the world, was once deductive, but soft demand, as the deductive lesson of Henry Ford forgot. Mass production was supported only by mass consumption. But mass consumption came from millions of workers whose "compensation costs" (wages plus benefits) in 1984 were typically \$1.25 in South Korea and \$1.27 in the United States, compared with \$13.09 in the United States. Western exports, however, America's were better to suffer.

The result in the United States has been diminished economic growth, being wages often a month's wage of \$200 in 1982 to \$167 in May 1987, chasing power less job security, reduced public services—in an declining standard of living.

The remedy, Mr. Mead argues, is difficult but attainable: a concerted effort to increase worldwide living standards by raising wages and benefits and providing social conditions for the rising class masses in the Third World.

The New York Times

50 YEARS AGO

Our desire is to deliver the Bulgarian army is advancing on Constantinople. The Turkish was vanquished and annihilated. Luke Burgas, only Adrianople remains, and it is besieged.

1937: New 'Flying Boat'

BALTIMORE—The Glenn L. Martin Company announced an experimental aircraft, the new plane described as the first new plane capable of crossing the Atlantic Ocean nonstop with a pilot and a passenger.

Albany, representing the Soviet government. The Soviet Embassy in Washington said Russia was organizing a trans-Atlantic service, but it denies the possibility of regular flights across the North Pole between the United States, England, Germany and France have announced their plan of starting commercial trans-Atlantic flights.

1987 AT&T

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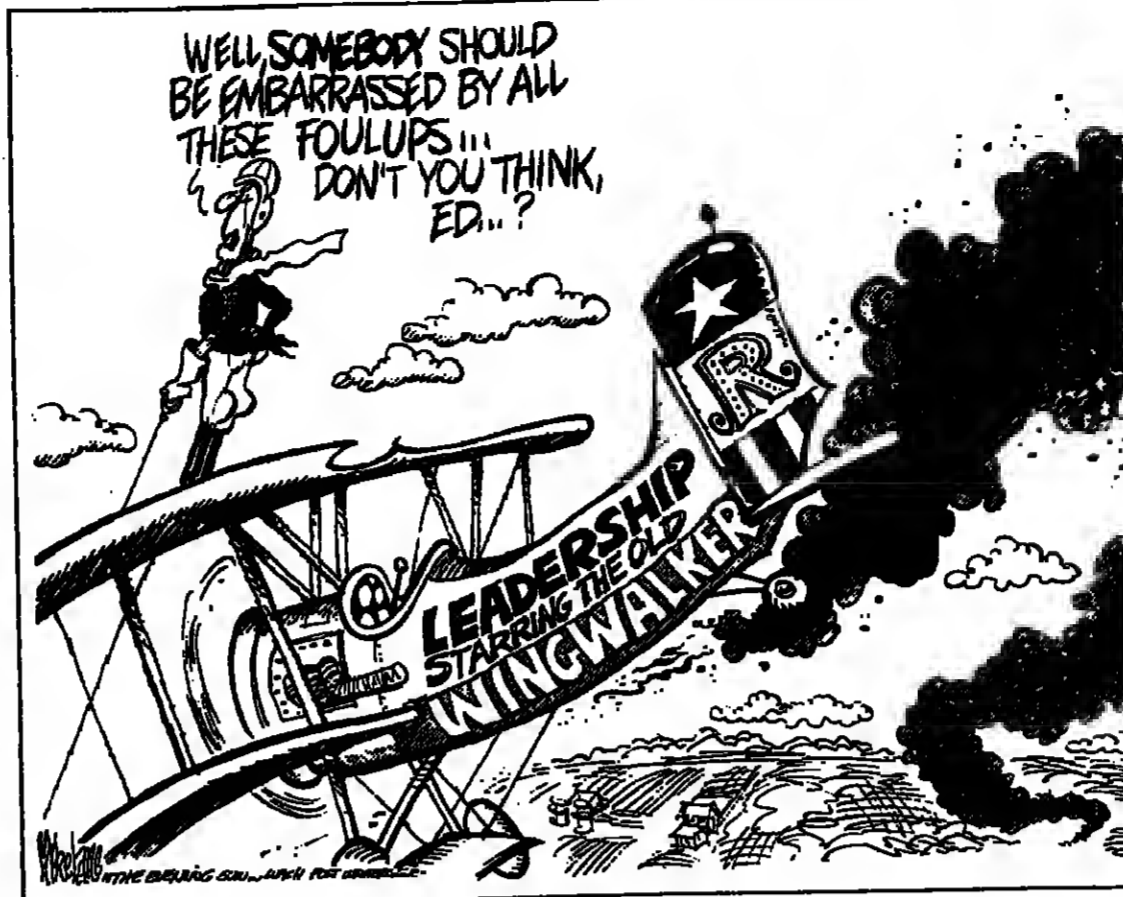
1987 AT&T

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Washington's Madness Makes Good Viewing—From Afar

By Jim Fain

WASHINGTON—A small city in southwestern France, Villeneuve-sur-Lot, provided my family with a vacation lens of genuine detachment for viewing surreal American politics during the great stock market crash.

It was interesting, if far from reassuring, to watch Ronald Reagan do his

as irrelevant as one can imagine (he had smoked marijuana some years ago). Back in Washington, the usual suspects were sniffing the new entrails of this fiasco with their customary gravity and deriving from it various epiphanies about the political order. The only sensible conclusion was that we are all out of our minds; but that is a confession unacceptable to commentators. Its recognition would put us out of business.

MEANWHILE

stiff-gaited gig on television with a mellifluous French voice-over of which I could understand not a word.

But anyone could tell that the president had not the slightest clue to what was happening; he has his fantasy world for a security blanket and was appropriately detached. Because we all prefer to believe there is order in the universe, we pretend he is rational. No one had any better idea what was going on in the global economy (economists, as usual, being the most confused), so the Supreme Court fiasco offered a more readable insight into this collective absurdity.

There was a manic kind of Marx Brothers justice about Judge Douglas Ginsburg being struck down. He obviously was unqualified, but the reason was

To follow any of this bizarre affair to a logical conclusion is a contradiction in terms. Barring anyone who ever has smoked pot from national office would both restrict and skew American leadership (an inappropriate word, but you know what I mean). Fortunately, consistency never has plagued the political process. I am sure the United States ultimately will find some unembarrassing way to accommodate to the pervasive reality of marijuana. Meantime, Americans have been spared Justice Ginsburg in a mercy as irrelevant as the one that rescued them from Justice Bork.

For no discernible reason, the French pride themselves on rationality, but, when pressed, recognize that absurdity is more durable. In Villeneuve-sur-Lot, they were engrossed primarily in weighing the merits of this year's harvest of cipes, a prized wild mushroom, and much too polite to embarrass a guest with allusions to the madness in Washington. The French love children (more, at least, than they do adults), and my 2-year-old son made friends for us on every street corner.

There is a palpable feeling in Europe now that the United States is some kind of headless wonder, but it is still the only superpower the Europeans are accustomed to, and they feel a certain helplessness about the whole thing.

Eventually that will have to shake down into something more hopeful, but meanwhile they drag along in economic lethargy. Unemployment is chronic but people live fairly well, racing along the highways with little thought of tomorrow.

Everything is muddling through, and there is no sense yet of the kind of crisis that forces humanity to make far-reaching decisions. For now, the Europeans seem as content as we Americans do with show-business as usual, but, if there was any lesson in recent events, it is that the universe in this era of global village shifts with shocking rapidity.

Cox News Service

LETTERS TO THE EDITOR

FAO, on Saouma's Watch, Failed Africa in a Time of Need

Regarding "The FAO Election: Saouma Has Been a Strong Leader" (Letters, Nov. 5) from Asit K. Biswas and Margaret Biswas:

That Edouard Saouma has been a strong director-general of the United Nations Food and Agriculture Organization for 12 years, stamping his image on its policies and personnel, is not in dispute. What readers of the Biswases' letter are likely to miss, however, is where and why the unsuccessful drive to elect Dr. Motse Mensah to succeed him originated (Mr. Saouma was re-elected Nov. 9).

It came not from UN-bashers but from African political leaders and agricultural professionals. Nor did it arise from a perception that Mr. Saouma is weak but from a growing perception that the FAO has failed Africa in its decade of need. Northern supporters of Dr. Mensah, a distinguished agronomist, include Canada and some of the Nordic nations, whose commitment to the UN, and to African agriculture, is not in doubt.

The FAO was late in perceiving the growing African food crisis, and late in comprehending that adequate food production is at most half of the problem of food security. Unless poor people can grow more, earn more or receive more transfers, they are not "entitled" to food

Spanish Pride, U.S. Planes

Pride is a serious matter to a Spaniard, as I have observed after living in Spain for more than 30 years. It is wounding to Spanish pride that American troops and airplanes are considered essential for the protection of the southwestern flank of NATO. But the present

Socialist government prefers to play up to internal Socialist politics rather than take the broader view of international accord. NATO officials insist that U.S. aircraft in Spain are vital to Western security. It hurts the Spanish sensibilities that these NATO experts do not have enough confidence in Spanish military might and skill for defense.

A Dutch friend of mine, who loves Spain and has invested heavily here, said to me recently: "If the American military is forced to leave Spain, then I am going to sell out and go, too. I would be uneasy, even afraid, to continue here under such circumstances." Maybe this is an exaggeration, but it shows the point of view of many here who do not agree with the Socialists' far-left sympathies.

Should U.S. taxpayers keep giving large sums of money to an intransigent Spanish government? No, let the Spanish feel the pinch until they get the message.

REGINALD HERBOLD GREEN, Lewes, England.

A Retreat From Diplomacy

Regarding the Washington Post editorial "A Crippled State of State" (Oct. 15): I agree that the reduction in State Department spending represents a turning away from diplomacy as a tool to advance American interests in favor

Getting Our Wordsworth

Regarding "The Madness of the Creators Is More Manic Than Schizoid" (Meanwhile, Nov. 11) by Charles Krauthammer:

I was interested to read about Dr. Nancy Andressen's conclusion that "creativity" was mainly related to "extraordinary depths of feeling." The poet William Wordsworth got it right many years ago, when he wrote: "The gods approve / The depth, and not the tumult, of the soul."

DEDWYDD JONES, Lausanne.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.



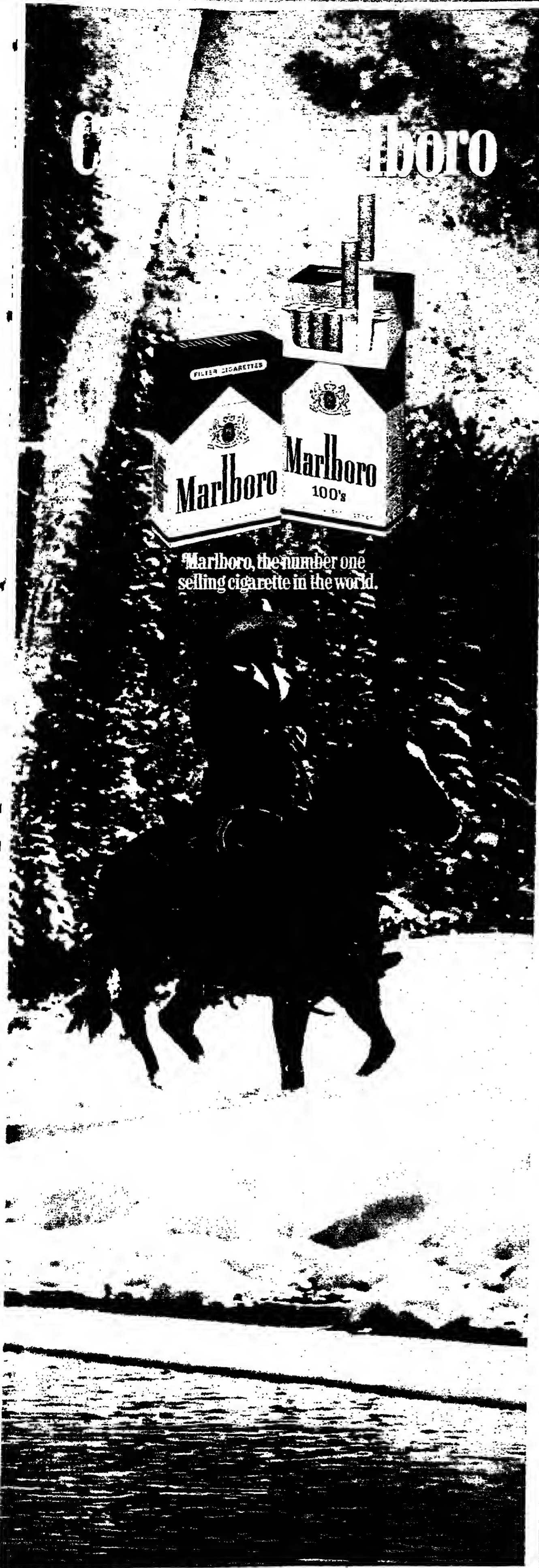
There's still no place like it. Call home.

No matter where your business takes you, don't let it take you away from family and friends. Just pick up the phone. And feel the warmth of home. Reach out and touch someone.®



The right choice.

Advertisement for Courvoisier XO cognac. The top part features the brand name 'COURVOISIER XO' in large, stylized letters. Below the name is a large, detailed illustration of a cognac bottle with a decorative label. The background of the advertisement is dark and textured.



## In Saigon, Christmas Knows No Politics

By Barbara Crossette  
New York Times Service  
HO CHI MINH CITY — At the Dong Khanh Bakery in Cholon the other day, the pastry chefs got to work on the first of the season's traditional French Christmas loaves.

Chau Hon, the bakery's owner, says he sold 6,000 of the lavishly decorated cakes last year. This year the sky's the limit for the models that say "Noel 1987" in red and white icing.

"Life is easier now," he said as he showed a visitor around Cholon, Saigon's Chinatown, and everyone in Saigon — Buddhist and Christian — enjoys Christmas.

Suzanne Dai, the proprietor of an offbeat restaurant, agreed as she talked about the coming holidays. "Christmas is not only for Catholics," she said. "Her bistro is in the library of her former law office."

On a bookshelf by a table, between the dictionaries and the porcelain vases, a white cat, in the spirit of the season, had just given birth to five kittens.

"Christmas is an international, cosmopolitan holiday that is a joy to everyone," said Mrs. Dai, a former deputy speaker of the South Vietnamese Assembly. "Children, with no

chimneys to hang stockings, put out shoes in the hope of small toys from Santa Claus."

The people of Saigon, now officially Ho Chi Minh City, have always been the liveliest and most outward-looking Vietnamese, and they grab any opportunity to have a good time, she said.

Christmas Eve is the year's happiest occasion for promenading, dancing and buying glittering trinkets for family and friends from vendors who shower passers-by with as much confetti as they sell.

A visitor to Saigon a few Christmas Eves ago found the city's churches packed and overflowing into the streets as tens of thousands of people came for communion and familiar carols sung in Vietnamese.

"Many people who are not Catholic go to the midnight Mass," Mrs. Dai said, "because they love the music and the atmosphere."

Around the Roman Catholic Cathedral, the first of the sidewalk Christmas markets has opened as the light of tiny kerosene lamps that give red and gold greeting cards an old-fashioned glow.

A mile or so away, along Hai Ba Trung Street, a Christmas fair is already under way on

the sidewalk in front of Tan Dinh Church. Here the poor can buy small tree-trimmings made by hand out of paper scraps and cutouts. Those with money can invest in imported plastic Christmas trees with twinkling lights and shiny ornaments.

Across from the church, Din Van Bang has turned his religious-objects shop into a wall-to-wall Christmas bazaar. For sale are locally made scenes of the Nativity with a full cast of characters, from the Holy Family to the sheep on the hillside.

In glass cases, browsers can also discover unseled objects that have found their way from Sears Roebuck & Co. and Wal-Mart Stores.

Christmas in Saigon knows no politics. From behind shelves of Marx and Lenin in a state book shop, the unmistakable strains of "Jingle Bells" bounced from the tape deck, enlivening a display of books about the decline of the West.

Mrs. Dai said the war had temporarily dampened the Christmas spirit in the 1960s and early '70s.

But in 1975, after the Communist takeover of South Vietnam, she said, "We had our first Christmas in peace, and all the world came out on the streets."

## In Korea, a Voting Vigil With Prayers and Songs

By Susan Chira  
New York Times Service  
KWANGJU, South Korea — At 6 P.M., when the voting ended, Lee Keum Shil, 32, drew near the sealed ballot box and took out her rosary. Silently, the housewife prayed as election monitors circled the cold, stark warehouse that served as a polling station.

The steel door of the warehouse began to shake with the pounding of people who feared that someone would tamper with the ballots while they waited outside.

With prayers, songs and defiant shouts, this southwestern city kept vigil throughout the night for its candidate, the opposition leader Kim Dae Jung.

Kwangju is the city where anti-government feelings run deepest. In an incident that has haunted the South Korean government to this day, soldiers stormed Kwangju in May 1980 to suppress a popular uprising. The official death toll was just under 200; opposition groups assert that 2,000 died.

Kwangju has never forgotten. When Roh Tae Woo, the ruling party candidate and close associate of President Chun Doo Hwan, ventured here for campaign rallies, angry crowds hurled rocks and gas-line bombs.

Wednesday night, people spat out Mr. Roh's name as they gathered, at polling stations, at vote-counting centers, in coffee shops and on the streets, to see if the time had come for vindication.

They gathered at the tiny polling

station of Seo-gu, a bare warehouse with cement floors and a stove. Just before 6 P.M., election monitors pulled the steel door and solemnly began sealing the ballot box.

They dabbed glue on the box, wound tape around it, and each took turns placing his seal on the tapes.

As the crowd banged on the door, the monitors finished their task and trucks pulled up to the door.

A policeman with a rifle stood guard as the monitors swung the pea-green box on the truck, and then climbed on board. The crowd walked behind the truck, following it to check that their votes remained safe.

They approached the Chamber of Commerce Building, where the votes were to be counted. Suddenly, the crowd began to shout. "Lights!" they yelled, shaking their fists in the air.

A crowd of about 2,000 gathered outside the building, insisting that no ballot boxes be opened for counting until all the lights in the building were turned on.

Students, housewives, fathers holding children in their arms — all crowded near the building, cornering strangers and telling them of suspected cases of vote fraud.

"We are very afraid of some corruption," said one man. "I am sure there are many cases across the city and across the country. Without illegally, we are sure that Kim Dae Jung would win."

For the most part, the city was



Voters in Seoul lining up to vote Wednesday.

calm, although students and riot policemen clashed briefly near the building housing the Young Men's Christian Association, an informal headquarters for opposition groups.

In a bar near City Hall, a few men sat drinking and watching election results on television. As early returns showed Kim Dae Jung running third, the bar was quiet, but few there were resigned to defeat.

"I expect he will not win," said Kim Jun, 25, a student. "But this time he will not just sit back and ignore this corruption. We remember what happened in the Philippines. I think that could start in Seoul and in Kwangju."

## Takeshita Stresses Cooperation With Southeast Asia

New York Times Service  
MANILA — Prime Minister Noboru Takeshita reiterated on Wednesday that Japan intended to cooperate with rather than dominate its Southeast Asian neighbors.

At a press conference concluding a two-day visit to Manila, his first trip abroad since assuming office, Mr. Takeshita also repeated his assurance that Japan did not intend to become a military power. His departure, after meeting with regional leaders at the end of their two-day summit meeting, ended a period of tension in which Manila was on alert against violence.

President Corason C. Aquino commended her security forces.

She said she was "very happy, a little tired and I am glad everything went well."

There had been concern about security among delegations to the summit meeting of the Association of Southeast Asian Nations, including Brunei, Thailand, Malaysia, Indonesia and Singapore.

Teodoro Benigno, her spokesman, said the conference had resulted in "an improved perception of the Philippines as a stable country."

"We should like to cooperate with countries of this region, taking advantage of the economic power we have," Mr. Takeshita said.

Asked whether Japan's announcement of a \$2 billion aid package to the region signaled a revival of its prewar militarism, he replied, "Let me say unequivocally that we have absolutely no intention of reviving the 'old Japan.'"

"And let me make this abundantly clear," he added. "This is intended for serving peace and stability in the region."

Foreign ministers from the Philippines and Japan signed a \$560 million loan agreement. Mr. Benigno said the Japanese leader had promised to lend the Philippines about \$110 million to repair a Japanese-built cross-country road.

Thousands of Philippine military personnel and warships from three

nations provided security for the summit meeting.

The conference produced four agreements on regional investment and trade and a declaration that denounced Vietnam's nine-year occupation of Cambodia, reaffirmed the goal of a nuclear weapons-free region and pledged greater political cooperation.

Sultan Muda Hassanal Bolkiah of Brunei, President Suharto of Indonesia and Prime Minister Prem Tinsulanonda of Thailand flew home Tuesday. Prime Minister Mahathir bin Mohamad of Malaysia, Mr. Takeshita and Prime Minister Lee Kuan Yew of Singapore planned to depart Wednesday.

## CRASH: Experts Predict 'Globalization' of Stock Markets Will Have Revival

(Continued from Page 1)

insured that the panic began on Wall Street spread almost instantaneously, toppling markets everywhere.

Government panels and market officials in the United States, France, Britain and Hong Kong are asking why prices dropped so far so fast. Investors in country after country dumped their foreign shares, retreating to familiar domestic markets. The worldwide collapse is also likely to quicken the movement toward standardized securities regulation in different markets.

Most markets, except for Tokyo, fell even more sharply than New York, regardless of the health of their home economies. Markets most dependent on foreign investors, such as London and Frankfurt, declined especially quickly. For example, while Wall Street has dropped 22.7 percent since mid-October, London lost 28.9 percent and Frankfurt 32.9 percent.

"You've seen foreign investors everywhere go back to their home markets," said Jeffrey M. Weingarten, director of international equity research for Goldman, Sachs & Co. Investors dumped their shares in Japan, whose market has declined only about 13.6 percent, far less than the other major bourses. The Ministry of Finance reported last Friday that net selling of Japanese shares by foreign investors hit a record \$13.1 billion in October, twice the previous peak sales month. The decline was checked by purchases from Japanese individuals and financial institutions.

Some U.S. fund managers are doubtful about a recovery soon for global investment by chastened U.S. investors. "I don't see Americans doing much investing internationally anymore," said Howard Stein, chairman of the Dryfus Corp., a New York-based mutual fund concern with only a small amount of its \$40 billion in assets invested abroad.

A recent study of the attitudes of major securities houses toward global stock dealing found "almost no change" since the collapse in their resolve to maintain and even gradually enlarge 24-hour trading operations. The big securities firms regard international equity sales, trading and research capability as essential to attracting corporate clients and institutional investors, according to the poll by the accounting firm Coopers & Lybrand.

"The crash has not stopped firms from proceeding with their globalization programs," said Harvey J. Bazaar, head of Coopers & Lybrand's financial services. "But we will see a more cautious, rational approach to expansion now."

A prolonged decline in international equity dealing would force the big securities houses to look at their global operations, which staff cuts the likely result.

Business practices are also being reconsidered. Traders at the big investment banks say they are now less eager to handle "block" trades of foreign shares worth \$100 million or more in a single deal. The risks inherent in such market-grabbing tactics seemed minimal when share prices were generally rising. Instead, the investment banks will stick closer to the traditional trader's role of collecting a profit from the margin between the buying and selling prices of shares when making markets in securities. Riskier maneuvers such as block trading will not be abandoned altogether, but the fees charged will be higher.

"Risk is the one thing that everybody will be trying to reduce over the next few years," said Hans Joerg Rudloff, deputy chairman of Credit Suisse First Boston Ltd.

One way of reducing the risk from market volatility is to hold on to stocks longer, thereby riding out the daily or weekly gyrations. However, investing broadly in whole overseas markets through index funds composed of a variety of stocks of a particular country is regarded as a bull-market strategy

that is now outdated, according to experts. Instead, the focus will shift to investing in selected companies, based on fundamental analysis of corporate strengths and prospects.

"The shotgun approach is over," said James M. Davin, a managing director of the First Boston Corp.

The collapse was a rough lesson in the risks of international portfolio. Fund managers had strayed beyond the major markets of London, New York and Tokyo. The smaller markets often looked attractive but carried liquidity risks. It can be difficult to sell shares and, for example, settlement of trades can take up to 150 days, compared with a typical five days on Wall Street. Even in the big overseas markets there can be delays in completing transactions. For example, an American investor buying British shares in London will have to wait 7 to 21 days for settlement.

Particularly unsettling to investors worried about liquidity was the crisis at the Hong Kong exchange, a leading second-tier market, which reacted to the crash with a panicky four-day shutdown.

"Anywhere where there is less liquidity will be less attractive in the new environment," said Archibald Cox Jr., who runs Morgan Stanley & Co.'s London office.

But in October, even liquidity was no protection from the havoc. London, for instance, ran counter to the worldwide trend and actually lengthened its trading hours during that week. The longer trading hours only seemed to exacerbate the fall in London share prices, according to analysts, because it gave investors more opportunity to sell.

The global investment trend, most fund managers say, will revive as investors concentrate again on the gaps in economic growth, currency movements and corporate performance in different countries.

"Once the panic has subsided, the differences in growth rates and opportunities should come to the fore," said Gilbert de Botton,

## China Criticizes Halting of Show

The Associated Press  
BEIJING — The government-controlled press on Wednesday criticized officials who canceled an exhibit that was intended to dramatize the shoddy quality of many Chinese-made products. Officials had asked consumers to contribute flawed items to the show.

"Farce and deception," the official Xinhua news agency called it. Joining Xinhua in criticism, the Economic Daily said the cancellation was a "humiliating disgrace" for consumers.

The display had been scheduled to open this month. Last week, the Light Industry Ministry said it had been canceled. Officials of the ministry held a news conference for Chinese reporters but received only criticism, a newspaper said.

JPL 10150

Bought After Before's Blocked

percomputers but was not included in the sale to the U.S. Air Force to provide a machine made by NEC at a price that appeared to be startlingly low.

Gorbachev Invited Into U.S. Homes

MOSCOW — Raisa Gorbachev, wife of the Soviet leader, Mikhail S. Gorbachev, said Monday that she and her husband had received many personal invitations to visit American homes, farms and factories, with some people mailing their house keys to the Kremlin.

WASTE: Fertilizer in U.S.

(Continued from Page 1) the largest waste-fertilizer operations in the United States and the only one that recycles radioactive wastes for use in agriculture, according to the scientists and the Nuclear Regulatory Commission.

Trotsky's Grandson Waits for Moscow to Fill In Blank in History

By Larry Rohrer New York Times Service

MEXICO CITY — Lenin lies in a tomb in Red Square, and Stalin is interred in the Kremlin Wall. But the ashes of Leon Trotsky, theoretician of the Bolshevik Revolution and founder of the Red Army, remain in exile and oblivion in the quiet garden of the small house in Mexico City where he was assassinated, presumably by a Soviet agent, 47 years ago.

Esteban Volkov Bronstein wants to see that changed, and he has been encouraged by recent events in the Soviet Union. He is the grandson of Trotsky (whose real name was Lev Davidovich Bronstein), and the guardian of his memory. Mr. Volkov, who is a Mexican citizen, wants the Soviet leadership to restore his grandfather to his rightful place in history and to acknowledge Stalin's guilt in his death.

"We are observing the process of glasnost and perestroika in the Soviet Union favorably," Mr. Volkov said last week, referring to Moscow's catchphrases for openness and economic restructuring.

'He is especially relevant at this moment, as Gorbachev himself has made clear by attacking bureaucracy and economic stagnation.'

— Esteban Bronstein



Leon Trotsky in 1931

Mr. Volkov spoke in a cool, dark study of the house where he once lived with his grandfather. "But until there is a re-establishment of the historical truth about this monstrous process of assassination ordered by Stalin," he said, "we must keep insisting on this point."

In a major speech earlier this month, Mikhail S. Gorbachev, the

Soviet leader, condemned Stalin for "enormous and unforgivable crimes" but did not rehabilitate Trotsky, whom he called "an excessively self-assured politician who always vacillated and cheated."

Mr. Volkov quarrels with that description, but says that even negative comments about Trotsky stimulate worldwide interest in his

maternal grandfather and underline his importance in the Marxist-Leninist pantheon.

Though it has never been proved that Stalin ordered Trotsky's assassination, the two were bitter rivals until Stalin succeeded in expelling Trotsky from Russia in 1929 and had him later sentenced to death in absentia.

Their friction went beyond personalities and power politics to include ideological differences. Stalin sought to build an invincible Communist state "in one country," while Trotsky argued for a "permanent revolution" that would engulf the world.

"He was the first to denounce state bureaucracy and deviations from Leninism," Mr. Volkov said of his grandfather. "He was always one of the great theoreticians and representatives of Marxist thought, but he is especially relevant at this moment, as Gorbachev himself has made clear by attacking bureaucracy and economic stagnation."

These days, the house at Calle Vienna 45, where Trotsky worked and lived for the last three years of

his life, is a museum, financed by the Mexican government and adherents of Trotsky's doctrine of "permanent revolution."

The study where he was killed with a mountaineer's ice ax, has been preserved. Bullet holes in the wall from an earlier assassination attempt have been left untouched.

Several dozen visitors tour the museum each day, ranging from curious American tourists to Latin American, Japanese and Western European Trotskyists for whom it is a shrine. There are even a few cautious visitors from Eastern Europe, where Trotsky is still a non-person, blanketed out of photographs and omitted from textbooks.

Mr. Volkov, 61, was born in Yalta on the Black Sea, and he joined his grandfather in Mexico in 1939. When Trotsky was assassinated in August 1940, Mr. Volkov was living in Mexico City with his grandfather, grandmother and assorted bodyguards and aides.

"He was quite jovial, with a great sense of humor, but also very disciplined in his work," Mr. Volkov said of his grandfather's

daily routine. "He would get up early to write and to read and to answer correspondence, and he always made sure twice a day to feed the chickens and rabbits he kept in a coop in the yard."

Mr. Volkov, a chemist by profession, said that though "I admire the ideas of my grandfather and the ideas of Marxism," he was "not a member of any Trotskyist group."

Some of those who gathered at the Trotsky home to commemorate the 70th anniversary of the Bolshevik seizure of power said they were more optimistic about their political prospects than at any time in the recent past.

Jan Narden, editor of the American Trotskyist newspaper Worker's Vanguard, said: "There is a significant change in the climate right now. Events in the Soviet Union and renewed attention worldwide to the role of Trotsky have provided us with a real opening."

Mr. Volkov said the struggle to restore his grandfather's reputation "won't be resolved overnight."

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After Yeltsin, a Chill Descends on Debate

By Philip Taubman New York Times Service

MOSCOW — The comments and questions from the audience about the public repudiation last week of Boris N. Yeltsin by the Communist Party bristled with anger and disillusionment.

"Why was Yeltsin, who until an hour ago was a leader of perestroika, turned by some secret countenances of the authorities into an enemy more wicked than those who for years brought shame to the country?"

"Who will now dare to express his opinion?"

"Stalinism is returning." The answers from Vitali A. Korotich, an editor known as one of Mikhail S. Gorbachev's biggest boosters, were cautiously noncommittal.

"Let us wait on this matter until we know more," Mr. Korotich said, declining to be drawn into an extensive discussion of the case.

The scene Saturday night at a Moscow movie theater — an evening of open discussion about such current Soviet concerns as perestroika, or restructuring, that was sponsored by Mr. Korotich's magazine, Ogonyok — reflected a chill that the Yeltsin affair has cast among intellectuals in the Soviet capital.

The leaders of the Moscow party organization, in a meeting presided over by Mr. Gorbachev, excoriated Mr. Yeltsin on Wednesday for mismanagement and political mistakes and removed him as their leader. A detailed report on the session, including the savage criticism of Mr. Yeltsin and his abject confession at the end, filled two pages of Pravda on Friday.

The action stemmed primarily from a speech that Mr. Yeltsin, a nonvoting member of the Politburo, gave at a meeting of the Communist Party Central Committee on Oct. 21. According to government

accounts, he suggested that Mr. Gorbachev's economic restructuring program was not working.

The humiliating public repudiation of a man who was previously viewed as one of the most outspoken supporters of Mr. Gorbachev's program has puzzled and alarmed many Russians.

Writers, poets, artists and others who have been the main beneficiaries of glasnost, or openness — and who have been among Mr. Gorbachev's most vocal supporters — seemed shaken by an episode that served as a reminder of how quickly the cultural liberalization of the past two years could be reversed.

Retreating to the anonymity that they once requested to protect themselves from government retaliation — itself a sign of how fragile the new freedoms seem — leading members of this group asked in interviews not to be identified as they shared their worried reactions to Mr. Yeltsin's abrupt dismissal.

One writer, a leading advocate of glasnost, said, "Let us hope that this was only a temporary defeat, one caused more by the erratic personal behavior of Yeltsin than a change of heart by Gorbachev."

A playwright said, "Today Yeltsin, tomorrow Gorbachev."

The intensity of public reaction was apparent during the Ogonyok forum on Saturday, one in a series of public meetings organized by the magazine this fall.

Moderated by Mr. Korotich, who has been a leading exponent of glasnost and usually does not hesitate to speak his mind, the meeting drew an overflow audience of several thousand people.

Following a tradition at such events, questions from the audience were submitted in writing.

Many questions demanded to know why Mr. Yeltsin's Oct. 21 speech to the Central Committee has not been published, while the denunciations of him by Mr. Gor-

bachiev and Moscow party leaders were.

"How can we talk about genuine glasnost if all the speeches accusing Yeltsin were published but Yeltsin's speech was not?" one person wrote.

Another asked: "Why do you think Comrade Yeltsin's October plenum speech was not published? Because the party leadership mistrusts us Muscovites, or because they lack confidence in themselves?"

Yeltsin Reported Ill The editor of the Soviet government newspaper Izvestia was quoted as saying Monday that Mr. Yeltsin has been hospitalized, The

Associated Press reported from Vienna.

The Austria Press Agency reported from Innsbruck, Austria, that Ivan D. Laptiev said that Mr. Yeltsin, 56, had been hospitalized, but had not suffered a heart attack as had been rumored in Moscow.

He went from the hospital to the Moscow Communist Party meeting last week that decided on his dismissal and then returned to the hospital, Mr. Laptiev said.

Mr. Laptiev was in Innsbruck to deliver a lecture for the Austrian-Soviet Society.

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ARTS / LEISURE

Social Power Brokers And the Conscience Of New York

NEW YORK — New York is the playpen of power brokers. This is the center of financial power, said the influential columnist Suzy (Alleen) Mehle. According to her, one of the most interesting power brokers in New York is the real estate mogul Donald Trump. "He's young, attractive and totally self-confident. He has a personality that can't be overbooked. He's just written a book about 'The Art of the Deal.' He's got it and away the most interesting power broker in New York. The others fall into a Wall Street, giant corporate mold."

Brooke Astor is also the favorite of John B. Fairchild, the chairman of Women's Wear Daily, as number one social power broker. "She is the queen of New York," he said, "and the two princesses are Annette Reed and Pat Buckley. Mrs. Astor has both money and energy."

HEBE DORSEY

What makes a power broker? "The fact that he makes deals. Power brokerage takes money and influence, connections and social prestige." On the social front, she cited Mrs. Vincent (Brooke) Astor as the best power broker "because of her name and her foundation, which gives a lot of money to charities. She's not aggressive but very influential. You go to Brooke Astor, and she's not just entertaining. She's hiring you for money."

As for the two "princesses," "They're closely knit together," Fairchild said, "and run the best charities. They make New York kick socially and work at bettering New York. They're not 'Nouvelle Society.' They started the whole thing. They had money but they gave New York a conscience." The reason why New York is so power conscious, according to Fairchild, is that "after they make it in their hometown, people want to make it here. This goes for paint-

ers, writers, fashion designers as well as socialites. Everything is possible in New York. Despite its brutality and ugliness, this is where the action is." It can be a rough game. Of New York parties, a hothed of social intrigues, Fairchild said: "It's brutal. There's no heart. You're invited just because you're a name." According to Fairchild, Mollie Parnis, a former fashion designer and grande dame of New York society, "is the number one power broker of the media."

Parnis, who calls herself a frustrated journalist, said that "you don't think of yourself as a power broker. People become your friends. First of all, I have no interest in society people. I'm interested in people who do things." Famous for her entertaining, Parnis can easily round up Henry Kissinger, Mike Wallace, Dan Rather, Tom Brokaw and Barbara Walters. "Obviously, they enjoy coming to me as much as I enjoy having them," she said. Barbara Walters is another power broker, because of her ABC "20/20" show where she gets a lot of top people. Her list of power



Queen of New York and two princesses: Brooke Astor (center), Annette Reed (above) and Pat Buckley.



brokers is more political. Felix Rohatyn, the investment banker and head of the Municipal Assistance Corporation that saved New York from bankruptcy in the late '70s, is a power broker "because when he talks, people listen to him"; Henry Kissinger "still has weight when he comes into a room"; Malcolm Forbes "whose list of the 400 richest people in America is very influential — not to mention his lavish parties." And definitely John Fairchild "who can make or break anybody in fashion or society." In a low-key way, S.I. Newhouse, the chairman of the Conde Nast publi-

cations, is also a power broker, according to Walters, because of the enormous number of publications he controls. There are power meetings, chiefly in key restaurants, where you have to be seen — preferably at hooch and in the right company. The main ones are Le Cirque, which attracts a lot of women, fash-

ion people and plain gawkers; Four Seasons, smooth and tranquil with regulars such as Newhouse, the architect Philip Johnson, Catherine d'Alessio, president of Chanel USA, and Tina Brown, the editor of Vanity Fair; the 21 Club, which has not lost its regulars despite its redecoration; La Grenouille with its beautiful flowers and French

cuisine; and Mortimer's, which, thanks to its owner Glenn Bernbaum, is the ultimate club of the rich and famous. Finally, you have power breakfasts, which are said to have originated casually at the Regency Hotel in 1985. Now, this has been worked into a \$2,500-a-year club by 21. But it is not cutting much ice with real power brokers. Said the chairman of a big company, who has been lunching at 21 for 40 years and would not be identified: "I was invited to join but wasn't interested. I don't think anybody who has power would join. It's only those who don't have power and want visibility. I have the feeling that if I walked in there, I wouldn't know anybody."

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An Orchestra's 20 Years

By David Stevens International Herald Tribune PARIS — The Orchestre de Paris has just celebrated its 20th birthday; small beer by the standards of some European orchestras that measure in centuries. But the orchestra has its links with history and has also been something of a catalyst in the continuing change in the musical landscape of Paris and France in the last two decades. Its founding in 1967 actually was an extension of one of the most distinguished of orchestral histories — that of the Société des Concerts du Conservatoire, which from 1828 under François Habeneck introduced Beethoven to Paris.



Daniel Barenboim.

Before then, orchestral activity in Paris centered on the French Radio's orchestras (which felt the competition and soon pulled their socks up) and the four long-established but decidedly stodgy concert societies, each of which performed every Sunday at 5:45 P.M. during the autumn to Easter season — the Conservatoire, Lamoureux, Colonne and Pasdeloup — each one venerable, but at the same time bogged down in their own history, preaching only to the converted. In 1967, de Gaulle's cultural minister, André Malraux, and the ministry's director of music, Marcel Landowski, decided to create the Orchestre de Paris, dissolving its Conservatoire orchestra and using much of its personnel as its nucleus, endowing it with subsidies from the state and the city of Paris, and baptizing it with all the advance prestige that France's cultural authorities could muster. To shape the new orchestra it allied on that most French of conductors, Charles Münch, who had recently retired as music director of the Boston Symphony. On Nov. 14, 1967, under Münch's fiery leadership, the new orchestra — in trim new Pierre Cardin suits — made its triumphant debut in a program of Berlioz, Stravinsky and Debussy.

That first program is deceptive for the role of the Orchestre de Paris has not been so much to represent French music to the world, as to present to the world a French orchestra that could compete in the international repertory with the great orchestras of Europe and the United States. Paris, it seems, was sick and tired of suffering mediocrity all winter, then having its ears cleaned out in May and June by visiting bands from Berlin, Vienna, Boston, New York, wherever. The beginnings were not smooth. The orchestra was quickly or-

phaned when Münch died on Nov. 6, 1968, during the first U.S. tour. Herbert von Karajan, who had spoken admiringly of the orchestra, was persuaded to take it in hand, with — as he said in a film shown before Saturday's anniversary concert — the goal of shaping an orchestra that combined French clarity and German depth. But Karajan would only accept the title of musical adviser and refused to give the Paris orchestra priority over his Berlin Philharmonic. He was succeeded by Sir Georg Solti, who came as music director in 1972. But Solti, too, had a first love elsewhere, and was not reticent about saying that his Chicago Symphony was the world's greatest.

It was in 1975 that the orchestra finally made a marriage that worked. Daniel Barenboim, at 32 firmly established as a pianist and all-around musician, needed an orchestra to expand his growing conducting career. The Orchestre de Paris needed a music director who would give the orchestra first priority. It also meant a change of working style, for Barenboim equals more as a first among equals than an authoritarian. The difference is in the way Karajan says "Meine Berliner" and Barenboim says "mes collègues." Together they have expanded their repertoires, especially in the German classics — this season is far more German and Russian than French, a running complaint of some Paris critics. On its last trip to New York, the Orchestre de Paris played a complete Beethoven symphony cycle! (For that matter, the orchestra has had a French music director for only one year.) Barenboim has played a lot of chamber music with orchestra members, added a chorus, and taken the orchestra into opera with staged Mozart and concertized Wagner. In 1989 he becomes artistic director of the new Opéra Bastille, to be succeeded at the orchestra by Semyon Bychkov, the young Russian expatriate conductor. If the Orchestre de Paris always balanced clarity and depth as well as it did for its birthday party Saturday, no one would question its prestige. Solti returned to join in the fun. He conducted the Mozart Two-Piano Concerto from one of the pianos, with Barenboim at the other, an alert and vibrant performance. Then Solti, at 75 still moving like a boxer who never takes a backward step, led a charge through an electrifying "Leonore" Overture No. 3. Finally Barenboim, in an extrovert mood, made the link with the concert 20 years before — Berlioz's "Symphonie Fantastique" — drawing brilliant color from the orchestra in this ultra-romantic score, without ever losing contact with its classical spine. Then he made a nice little talk to the packed Salle Pleyel, and that was it for the first 20 years.

Moroccan Wins Goncourt

Compiled by Our Staff From Dispatches PARIS — Tahar Ben Jelloun, a Moroccan writer and journalist, won the 1987 Prix Goncourt book award Monday for "La Nuit sacrée," his tale of a girl raised as a boy in the closed world of a traditional Moroccan family and of her struggle to escape. Ben Jelloun called his work "a bridge" between France and the Maghreb, as the western part of North Africa is known. "I'm touched, but not knocked out," Ben Jelloun said. "This is the first time an Arab has received such an important honor." The Goncourt is the most prestigious of France's many literary prizes and virtually guarantees the book will be a best seller. Ben Jelloun, 42, is no newcomer to the French literary scene. "La Nuit sacrée," published by Seuil, is his 13th book. His previous works include "L'Enfant de sable," published in 1985 and the prelude to "La Nuit sacrée"; "Hospitalité Française"; "L'Ecrivain Public" and "La Prière de l'absent." The Renaudot prize went to the writer-painter René-Jean Clot for "L'Enfant halluciné" (published by Grasset, the story of a backward child's life with his widowed mother. Clot, 74, also a noted dramatist, said: "I am happy, but lucid," adding: "One writes books more with failure; the writer is a being who transforms failure into healing. I have tried to give a more noble form to human failure."

Paris has not been so much to represent French music to the world, as to present to the world a French orchestra that could compete in the international repertory with the great orchestras of Europe and the United States. Paris, it seems, was sick and tired of suffering mediocrity all winter, then having its ears cleaned out in May and June by visiting bands from Berlin, Vienna, Boston, New York, wherever. The beginnings were not smooth. The orchestra was quickly or-



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Vertical sidebar containing various travel and business listings, including 'Presidential Race Starts in South Korea; 7 Are to Run', 'ESCORTS & GUIDES', and 'AVIA'.

Vol.	High	Low	Last	Chg.
GM	17.64	17.50	17.50	+1/8
IBM	17.50	17.40	17.40	+1/8
AT&T	17.40	17.30	17.30	+1/8
Amgen	17.30	17.20	17.20	+1/8
Amgen	17.20	17.10	17.10	+1/8
Amgen	17.10	17.00	17.00	+1/8
Amgen	17.00	16.90	16.90	+1/8
Amgen	16.90	16.80	16.80	+1/8
Amgen	16.80	16.70	16.70	+1/8
Amgen	16.70	16.60	16.60	+1/8

NYSE 4 a.m. volume	NYSE adv. cons. close	NYSE adv. cons. open	NYSE adv. cons. volume	NYSE adv. cons. price
164,340,000	11,588,000	11,588,000	11,588,000	11,588,000
164,340,000	11,588,000	11,588,000	11,588,000	11,588,000
164,340,000	11,588,000	11,588,000	11,588,000	11,588,000
164,340,000	11,588,000	11,588,000	11,588,000	11,588,000
164,340,000	11,588,000	11,588,000	11,588,000	11,588,000

High	Low	Close	Chg.
1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	+1.14

**Monday's NYSE Closing**  
Via The Associated Press

Class	Prev.
Advanced	3.00
Declined	2.00
Total	1.00
New High	1.00
New Low	1.00

Close	Chg.	Week Ago	Year Ago
1,175.14	+1.14	1,175.14	1,175.14
1,175.14	+1.14	1,175.14	1,175.14
1,175.14	+1.14	1,175.14	1,175.14
1,175.14	+1.14	1,175.14	1,175.14
1,175.14	+1.14	1,175.14	1,175.14

Vol.	High	Low	Last	Chg.
Amgen	17.50	17.40	17.40	+1/8
Amgen	17.40	17.30	17.30	+1/8
Amgen	17.30	17.20	17.20	+1/8
Amgen	17.20	17.10	17.10	+1/8
Amgen	17.10	17.00	17.00	+1/8

Bonds	Close	Chg.
10-year	100.00	+0.01
20-year	100.00	+0.01
30-year	100.00	+0.01
10-year	100.00	+0.01
20-year	100.00	+0.01
30-year	100.00	+0.01

Advanced	Declined	Total	New High	New Low
100	50	150	100	100
100	50	150	100	100
100	50	150	100	100
100	50	150	100	100
100	50	150	100	100

Nov. 12	Nov. 11	Nov. 10	Nov. 9	Nov. 8
100	100	100	100	100
100	100	100	100	100
100	100	100	100	100
100	100	100	100	100
100	100	100	100	100

Open	High	Low	Last	Chg.
1,175.14	1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	1,175.14	+1.14

Industrials	High	Low	Close	Chg.
1,175.14	1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	1,175.14	+1.14

Class	Prev.
Advanced	3.00
Declined	2.00
Total	1.00
New High	1.00
New Low	1.00

High	Low	Close	Chg.
1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	+1.14
1,175.14	1,175.14	1,175.14	+1.14

Tables include the bottomside entries up to the closing on Wall Street and do not reflect late trades elsewhere.

# NYSE Ends Higher in Late Rally

**United Press International**  
NEW YORK — Prices on the New York Stock Exchange staged a final-hour rally Monday to close at higher levels despite the inability of congressional and White House negotiators to provide Wall Street with an agreement on reducing the U.S. budget deficit.

The Dow Jones industrial average, which fell 24.04 last week, rose 14.09 to 1,949.10. The Dow surged nearly 35 points in the opening minutes and then fell a few points into negative territory by mid-afternoon before the final rally.

Advances led declines by an 8-7 ratio. Volume was about 164.34 million shares, down from 174.92 million Friday.

Broad-market indexes gained slightly. The New York Stock Exchange index rose 0.56 to 138.16. The price of an average share rose 13 cents.

"Basically, stocks got a little ahead of themselves this morning with no substantive developments," said A.C. Moore, director of research at Argus Research Corp. in New York.

"The tape has an improved tone overall, and it appears to want to trend higher. Progress on the deficit will probably be the requisite for a sustained move upward."

Mr. Moore said that the lack of a budget agreement, profit taking and a slippage in the dollar from its highs contributed to the temporary afternoon slump.

Rodd Anderson, vice president in equity trading at Shearson Lehman Brothers Inc., said that the early runup was tied "to the dollar operating firm and some carry over from overseas markets with some European money coming in."

He said that the market was anxiously awaiting news from Congress.

Dennis Jarrett, a technical analyst at Kidder, Peabody & Co., also tied the market's early strength to orders from overseas investors and the signs of a strengthening dollar abroad.

Despite the pullback, Jarrett said the Dow industrials could move to between 2,150 and 2,200 over the next two months.

"The general feeling is that volume could be tight unless something happens to Washington that gets everyone off the dime," he said. "That could be the trigger to move to the upside."

Congressional and White House negotiators, entering their fourth week of talks, are trying to beat a Friday deadline in which the government will have to make cuts of \$23 billion under the revised balanced budget law.

Niagara Mohawk was the most active NYSE-listed issue, unchanged at 13 1/2.

GTE followed, up 1/4 to 35 1/2.

Central Illinois Public Service was third, unchanged at 20 1/2.

AT&T gained 1/4 to 29 1/2. IBM was down 1/4 to 120.

Among other blue chips, General Electric was off 1/2 to 45 1/2. Merck was down 1/4 to 174 1/2.

American Express gained 1/4 to 25 1/2 and USX was up 1/4 to 28 1/2.

In the auto sector, General Motors was up 1/4 to 60. Ford was up 1/4 to 77 and Chrysler was down 1/4 to 24.

Prices were slightly lower in active trading on the American Stock Exchange.

The American Stock Exchange index slipped 0.07 to 251.37, and the average price of a share lost one cent.

12 Month High	Low	Stock	Div.	Yld.	PE	52 High	52 Low	Open	Close	Chg.
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14

12 Month High	Low	Stock	Div.	Yld.	PE	52 High	52 Low	Open	Close	Chg.
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14

12 Month High	Low	Stock	Div.	Yld.	PE	52 High	52 Low	Open	Close	Chg.
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14

12 Month High	Low	Stock	Div.	Yld.	PE	52 High	52 Low	Open	Close	Chg.
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14

12 Month High	Low	Stock	Div.	Yld.	PE	52 High	52 Low	Open	Close	Chg.
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100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14

12 Month High	Low	Stock	Div.	Yld.	PE	52 High	52 Low	Open	Close	Chg.
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14

12 Month High	Low	Stock	Div.	Yld.	PE	52 High	52 Low	Open	Close	Chg.
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14

12 Month High	Low	Stock	Div.	Yld.	PE	52 High	52 Low	Open	Close	Chg.
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14

12 Month High	Low	Stock	Div.	Yld.	PE	52 High	52 Low	Open	Close	Chg.
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14

12 Month High	Low	Stock	Div.	Yld.	PE	52 High	52 Low	Open	Close	Chg.
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100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
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100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14

12 Month High	Low	Stock	Div.	Yld.	PE	52 High	52 Low	Open	Close	Chg.
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100	100	+1.14
100	100	AA				100	100	100		

INTERNATIONAL STOCK MARKETS

Aloof to Frenzy in U.S., Robeco Fund Sits Tight

By GERALDINE FABRIKANT

ROTTERDAM—A managing director of Robeco Group, the largest group of investment funds under single management outside the United States, has decided that it is "too late to be bearish" on America. So Nicholas Veer plans to just let the dust settle for now from the stock market collapse.

"We felt that the U.S. economy was doing rather well" despite the market plunge, Mr. Veer said. So his firm decided that "it was not the time to sell" in the midst of the turmoil.

In essence, Robeco is to European investors what Fidelity, the big mutual fund company in the United States, is to American investors. Both are widely held, well-known families of mutual funds, each with a popular flagship fund that has done very well in the five-year-old bull market.

In Robeco Group, the lead fund is Robeco, a \$5.5 billion equity fund with investments in the United States, Europe and Asia. There is also Rolingo, a fund that specializes in growth stocks; Rorento, a bond fund; Rodamco, a real estate investment vehicle; and Roparco, a money market fund. Each of those funds control about \$2 billion.

Compared with Fidelity Magellan of Boston, the popular aggressive-growth fund of the Fidelity family, the Robeco fund has a conservative investment strategy with a bigger portion of its holdings in blue-chip stocks, according to Michael Lipper, president of Lipper Analytical Research.

Nevertheless, the Robeco fund took a beating in the mayhem following the stock market collapse. Between Oct. 16 and Oct. 29, the fund saw the value of its assets fall by 16 percent, according to the Lipper organization. The average global fund, for instance, was down 22.53 percent for the same period, and Fidelity Magellan was off about 24.33 percent.

Fidelity was besieged with calls from anxious investors after the market collapse. Robeco executives assert that their investors reacted much less nervously, although some switched from Robeco's equity fund to Roparco, the money market fund.

IN A NORMAL market, said William Engelberts, another managing director, "We usually get about 1,000 calls for information or transactions." The week of the market collapse, "the number may have doubled or tripled."

Over the past five years, according to Lipper, Robeco has ranked 13th out of the 59 global funds, or funds that invest in markets around the world. The Robeco fund had 311.13 percent growth, including reinvestments, over the five-year period that ran to the end of September. At the end of October, its five-year growth figure had fallen to 204 percent, which still translates into a 25 percent annual growth rate.

None of that keeps Mr. Veer from being uneasy. "It is difficult to see where the bottom is or whether we will test the lows of several weeks ago," he said of the markets. "A little longer out, we think the fall we have seen may mean slower growth. But the important risk is the further fall of the U.S. dollar. The U.S. is responding very irresponsibly in this area."

Despite the jitters of American investors, Mr. Veer believes that what has happened in the past several weeks represents merely a correction, although a much larger correction than anyone at Robeco had anticipated.

For now, Robeco is sitting tight. The mutual fund has roughly 28 percent of its assets in U.S. stocks, and it intends for the moment to hang on to those investments. At the end of last week,

See MARKETS, Page 13

Currency Rates

Table with columns: Cross Rates, Currency, Rate, etc. Includes entries for Amsterdam, Brussels, Frankfurt, London, New York, Tokyo, Zurich, etc.

Table with columns: Other Dollar Values, Currency, Per \$, etc. Includes entries for Aves, Austral, Brazil, Canada, etc.

Table with columns: Forward Rates, Currency, 30-day, 60-day, 90-day, etc. Includes entries for Canadian dollar, Japanese yen, Deutsche mark, etc.

Interest Rates

Table with columns: Eurocurrency Deposits, Currency, Rate, etc. Includes entries for 1 month, 2 months, 3 months, 4 months, 1 year.

Table with columns: Key Money Rates, Currency, Rate, etc. Includes entries for 1-month, 3-month, 6-month, 1-year.

Table with columns: Asian Dollar Deposits, Currency, Rate, etc. Includes entries for 1 month, 2 months, 3 months, 4 months, 1 year.

Table with columns: U.S. Money Market Funds, Fund Name, Yield, etc. Includes entries for Merrill Lynch Ready Assets, Telerate Interest Rate Index.

Table with columns: Gold, Location, Price, etc. Includes entries for New York, London, Zurich, etc.

Reporter Loses U.S. Court Bid

SEC Can Pursue N.Y. 'Insiders'

The Associated Press

WASHINGTON — The U.S. Supreme Court upheld on Monday the insider trading convictions of a former Wall Street Journal reporter and two other people who profited from information on stocks he was writing about.

The justices voted 8-0 to uphold mail and wire fraud convictions against the former reporter, R. Foster Winans, and the others.

But they split 4-4 in ruling that the U.S. Securities and Exchange Commission acted properly in using laws against insider trading to prosecute the case.

The evenly divided vote, caused by a vacancy on the court, leaves intact a ruling by the 2d U.S. Circuit Court of Appeals but means that no national precedent is established with regard to the securities law ruling.

The ruling will allow the SEC to prosecute similar cases in the circuit court's jurisdiction — New York, Connecticut and Virginia — where most major insider trading violations originate. The commission applauded the decision.

Typically, insider violations involve the use of confidential information about a takeover by company officers or arbitrageurs, for example, to make money on the stock market before the public gains access to the information.

Associate Justice Byron R. White, writing for the court, said that U.S. statutes outlawing mail and wire fraud apply to a case in which an employer was deprived of exclusive use of confidential information — even if the employer cannot prove that it suffered a monetary loss.

"The confidential information was generated from the business," he wrote, "and the business had a right to decide how to use it prior to disclosing it to the public."

Mr. Winans was sentenced to 18 months in prison for securities fraud and mail and wire fraud. The mail and wire fraud charges stemmed from the fact that Journal articles are transmitted by telephone to its printing plant and the newspaper is mailed to subscribers.

The court rejected Mr. Winans' arguments that he only violated the newspaper's work rules, and therefore did not break any law.

Mr. Winans was one of two reporters who took turns writing the Journal's "Heard on the Street" column from August 1982 through 1984. The daily feature is believed to cause share, if temporary, fluctuations in the price of stocks.

He disclosed the subject matter of some columns in advance in two stockbrokers, Peter N. Brant and Kenneth F. Felis. Prosecutors said they paid about \$31,000 in kickbacks to Mr. Winans and a friend, David J. Carpenter.

Mr. Felis was sentenced to six months in prison, and Mr. Carpenter was placed on three years' probation.

The Crumbling of Finley, Kumble

It grew to more than 650 lawyers in less than 20 years, becoming the fourth-biggest U.S. law firm. Now dissension and debt are tearing it apart.

By E.R. Shipp

NEW YORK — As recently as two months ago, Steven J. Kumble and Harvey D. Myerson boasted that their law firm, Finley, Kumble, Wagner, Underberg, Manley, Myerson & Casey, had taken just 19 years to reach a size that others would have needed 90 years to achieve.

But unlike those other firms, Finley, Kumble will never make it to its 20th birthday, at least not in its present form.

The fourth-largest U.S. law firm, with more than 650 lawyers, has been wracked by internal bickering for years.

The dissension has worsened in recent months, and since June 22 of Finley, Kumble's 250 or so partners has left the firm, which has offices in New York and 14 other cities.

Many in the legal community thought that just the beginning. They pointed to simmering disputes over the direction of growth, the division of partnership earnings and what some say are dangerously high levels of debt.

Last week, those disputes came to a boil. The firm's 130-lawyer Florida operation is going its own way. The split could come as early as Dec. 1. The London office, which opened less than two years ago, is also being closed and one of the smaller U.S. offices, so far unidentified, will also shut down.

And there are rumblings that Mr. Myerson, 48, the head of the New York office, who was expected to lead the firm into the 21st century, is trying to form a new firm.

Under this scenario, some of Washington's 150 or so lawyers would go with him as well as some of the 175 in California. Left behind would be Mr. Kumble and some of the senior New York lawyers who have a special allegiance to him, notably Robert F. Wagner, former mayor of New York, and Hugh L. Carey, former governor of New York.

Negotiations among the top partners are continuing and it is unclear what the new Finley, Kumble will look like.

For now, Mr. Kumble characterizes the changes as a restructuring and not a dismantling.



James F. Jordan, Steven J. Kumble and Harvey D. Myerson, members of the firm's executive committee.

With the exception of the departure of some of the partners, he said, much of what is happening is simply an outgrowth of a decision to "streamline."

And Mr. Carey insisted, "Regardless of how many torpedoes hit the ship, the firm is going forward."

But others describe what is happening as a collapse and say the loss of the Florida operation alone could sink Finley, Kumble.

A collapse was inevitable, they say, given the firm's overly rapid rise, its internal frictions and its willingness to borrow heavily to pay enormous sums to its high-profile lawyers.

"It's quite clear to me that this is going to be a painful process," he said. See FINLEY, Page 15

Industry Output Jumped 0.6% in U.S. Last Month

Compiled by Our Staff From Dispatches

WASHINGTON — Boosted by an increase in car production, output jumped 0.6 percent at U.S. factories, mines and utilities in October, the biggest increase in three months, the government reported Monday.

Analysts noted that the figures were largely compiled before the stock market collapse of Oct. 19. The data showed a strong economic momentum before the stock market rout, they said, but do not reflect the subsequent loss of consumer and investor wealth.

The 0.6 percent increase followed no change in September and a 0.3 percent August advance. Production had shot up 1.2 percent in July.

The October advance pushed production 5.1 percent higher than a year ago as U.S. manufacturers continued to expand output in meet demand from higher exports.

In a separate report, the Commerce Department said that overall business sales climbed a healthy 1.1 percent in September, after a 1.1 percent August advance.

The rise was accompanied by a 0.6 percent increase in business inventories, after a 0.1 percent gain in August.

While the increase in sales was impressive, economists are likely to be concerned about the jump in inventory levels. The fear is that consumer spending will taper off in coming months as Americans, nervous about the economy, cut back on spending to build up savings.

In its report on industrial production, the Federal Reserve said that output by U.S. factories rose 0.9 percent in October after no gain in September.

The increase last month included a 1.3 percent rise at factories making durable goods, items expected to last three or more years, and a 0.3 percent advance at factories producing nondurable goods.

More than half the increase in industrial production was in cars. Auto assembly, which had fallen in August and September to annual rates of around 6 million units, rose to a rate of 7.3 million units in October.

Production of all consumer goods was up 1.2 percent in October, despite the fact that production of goods for the home, such as furniture and appliances, fell slightly.

Production of business equipment rose 1.3 percent in October. (AP, Reuters)

OECD Expects Market Plunge To Slow Growth

Agence France-Press

PARIS — The stock markets' collapse could cut growth in the industrialized world by 0.5 percent through mid-1989, according to revised forecasts presented Monday to a meeting of the Organization for Economic Co-operation and Development, participants said.

The forecasts are the first compiled by an authoritative international body since Oct. 19. They imply an average economic growth rate of just 1.75 percent in the OECD's 24 member nations in 1988 and the first half of 1989.

In June, the OECD predicted aggregate growth of 2.25 percent both this year and in 1988, after a 2.5 percent rate in 1986. The tentative estimate was presented at a session of the OECD's Economic Policy Committee. Participants said the estimate was based on the likely impact on consumption, especially in the United States, of the perceived or real loss of assets in the stock plunge.

Stock Crisis Triggers Doubt on Value of Louvre-Style Accords

By Steven Greenhouse

NEW YORK — As calls for a new international meeting to help reassure world financial markets have increased in recent days, so has the debate about whether a currency agreement reached in February was the underlying cause of the stock market plunge last month.

Many economists contend that the so-called Louvre accord, signed in Paris by the world's leading industrial democracies, spurred the market's collapse by urging the stabilization of exchange rates at a level that these economists say was unacceptably high for the dollar.

They say that, to keep the dollar from falling, the United States had to raise interest rates, setting up the conditions that caused a plunge on the world's stock markets.

Some critics go further, arguing that agreements like the Louvre accord are pointless. In their view, the high-minded calls for international cooperation are destined to achieve little, because governments often fail to make good on international economic promises when domestic considerations get in the way.

"It has become fashionable to say that the Louvre agreement was destined to fail," said Jean-Claude Paye, the secretary-general of the Paris-based Organization for Economic Cooperation and Development.

But, he said, "If the Louvre agreement has centered into troubled waters, it is because commitments to coordinate policies haven't been implemented by several countries with sufficient vigor and speed."

Marc E. Leland, who was the assistant Treasury secretary for international affairs during President Ronald Reagan's first term, said, "The danger with coordination is it promises too much and delivers too little."

Critics of the Louvre accord, including Martin S. Feldstein, the former chairman of Mr. Reagan's Council of Economic Advisors, have lashed out at it even as the chancellor of the Exchequer in Britain, Nigel Lawson, and France's finance minister, Edouard Balladur, have called for a meeting of the Group of Seven industrial democracies to seek a new agreement.

Those leaders are more sympathetic to the market's collapse was not the Louvre accord, or its call for stabilized currencies, but the failure of several governments to respect the agreement.

The biggest cause of the market's plunge, many economists say, was that the United States has not done enough to reduce its large budget and trade deficits. West Germany, and to a lesser degree Japan, have also been criticized for not doing more to lower interest rates and stimulate domestic consumption.

France, Britain and Canada also signed the accord. Italy, the other member of the Group of Seven, left the Louvre meeting after a diplomatic slight in February but joined in reaffirming the pact in September.

Some economists said that meetings of the OECD's Economic Policy Committee scheduled Monday and Tuesday could lay the groundwork for a Group of Seven meeting.

Speaking Friday at an OECD meeting, Mr. Leland said that a central problem with the Louvre accord was that it pegged the dollar at an artificial level. As U.S. trade deficits failed to decline significantly after the Louvre meeting, foreign investors grew increasingly sure that the dollar would have to decline further, with or without an accord.

Thus, they became increasingly resistant to financing Washington's budget deficit, and Washington had to raise interest rates to attract investors. In addition, huge intervention by central banks was needed to keep the dollar from sliding below the Louvre levels, he said.

In the view of Mr. Leland and some others, the situation became untenable. As interest rates rose to sustain the dollar, fears grew about a U.S. recession and lower corporate profits. In this nervous environment, the large U.S. trade deficit for August and comments by Treasury Department officials that they might let the dollar fall set off the stock market slide.

"The problem with coordination was, it stopped leaving things in the market," Mr. Leland said. If the dollar had drifted down slowly in the free market, he said, interest rates need not have risen and stock markets need not have fallen.

Christopher Johns, an economist with the See LOUVRE, Page 17

China Moves Into Coin-Laundry Era

U.S. Exporter Chao Will Pitch Disposable Chopsticks, Too

By Robert Reinhold

NEW YORK TIMES SERVICE

SAN FRANCISCO — Late in life, Fred P.C. Chao has developed a new career, one that looks a little like taking sand to the beach.

He is opening coin-operated laundries in China, where he was born, bringing the automatic scrubbing and rinsing of laundry to the land of the hand-washed shirt. He plans eventually to build a factory near the city of Tianjin, where he spent his childhood, that will manufacture chopsticks from surplus Canadian lumber.

He says the coin-operated laundry, the quintessential American invention, can ease China's laundry burden. First, however, he must await the arrival of sufficient electric power and natural gas to drive the machines. A contract has been signed, but his first laundry has not opened yet.

Not content merely to show the Chinese a better way to do their wash, he plans to sell them chopsticks with another American characteristic: they will be disposable.

This is not all. On a recent visit to China — his first since he left in 1949, the year of the Communist takeover — Mr. Chao noticed that it took as much as six months for dry cleaning to come back.

"Six months!" he exclaimed in disbelief. So last year, he shipped 24 American-made dry cleaning machines to Tianjin, a port city 50 miles (80 kilometers) from Beijing. Same-day dry cleaning service was his gift to the people of his hometown.

Mr. Chao, 67, an American citizen, is one of a growing breed of Chinese-American entrepreneurs who have seized the opportunity provided by the warming of relations between the United States

and China and by China's growing interest in capitalist incentives.

While many efforts to sell American products in China have run into bureaucratic resistance and cultural confusion, independent traders have often found more ready acceptance for their products

than have major industrial companies. It helps when they speak the language and understand their customers, as Mr. Chao does. It positively greases the skids when the American entrepreneur takes a Chinese partner.

Once an intelligence officer for the defeated Nationalist government, Mr. Chao has returned to a Communist-run China in search of profits, and, odd as it may seem, he is welcomed.

"I like him very much," said Lu Zu-Wen, commercial attaché at the Chinese consulate-general in San Francisco. "He is very straightforward. He knows China very well; he knows Chinese culture and language. He has been good in efforts to develop trade between the United States and China."

When discussing Mr. Chao's background, Mr. Lu remembers that he "fought against the Japanese invaders of China" rather than recalling his Nationalist activities in opposition to Mao Zedong.

Mr. Chao, who operates three coin-operated laundries in the San Francisco area under the name So-

perkleon USA Inc., visited Tianjin in 1982 after 33 years of self-imposed exile. What he saw shocked him: "The only laundry machines they had could do only two pounds (one kilogram). They were 50 years old. There was no rinse, no spin."

"So I talked to the people," he said. "I said why don't you get new models and service the whole district?"

Two years later the deal was consummated when the mayor, R.H. Li, visited San Francisco. "I showed him my 4,000-square-foot (360-square-meter) stores, and he said, 'That's fantastic. I want this in Tianjin first.'"

Mr. Chao hopes ultimately to

See LAUNDRY, Page 15

Advertisement for Audemars Piguet watches. Features the text 'THE ROYAL OAK. ONE OF THE GREATEST DESIGNS OF THE 20 TH CENTURY.' and 'IBEAR MBA Program'. Includes an image of a watch and the Audemars Piguet logo.



**BUSINESS ROUNDUP**

**HBJ Selling 2 Units for \$334 Million Pretax Profit Soars 25% At Unilever**

ORLANDO, Florida — Harcourt Brace Jovanovich Inc., laden with debt after rebuffing a takeover bid, has agreed to sell its business publications and school supplies units for \$334 million in cash to a management-led investment group, company officials said Monday.

Harcourt said it had signed a definitive agreement to sell HBJ Publications Inc. and HBJ Beckley Cardy Inc. to a group led by Harcourt's vice chairman, Robert L. Edgell. The group also includes several HBJ Publications managers and Kidder, Peabody & Co., the brokerage that is a subsidiary of General Electric Co.

Harcourt Brace had previously said it planned to sell assets to help repay debt it incurred in resisting a takeover bid by Robert Maxwell, the British publisher. Under a \$3 billion defensive recapitalization plan adopted in May, HBJ paid out about \$1.7 billion in special cash

dividends and took on \$1.3 billion in debt.

William Jovanovich, chairman of the publishing, insurance and theme park company, told shareholders in October that the sale of its magazine, school supply and book club divisions would be completed by the end of November.

Monday's announcement said Mr. Edgell would leave as vice chairman of HBJ to head the new company, Edgell Communications Inc., which will be based in Cleveland.

Two private investment firms, Wicks Communications Inc., based in New York, and Labowitz Corp., based in Duluth, Minnesota, will also invest in Edgell Communications, the company said.

It said Kidder, Peabody would provide bridge financing for the acquisition.

Harcourt Brace said that this sale, along with other planned sales of assets to be completed in 1987, would fulfill and possibly exceed HBJ's obligations under a loan agreement to sell some operating companies under the HBJ banner to defray costs of recapitalization.

"We are a year early in fulfilling our pledge," Mr. Jovanovich said. "I do not foresee a need to sell other HBJ businesses."

HBJ Publications Inc., which publishes more than 100 business magazines and periodicals, and HBJ Beckley-Cardy Inc., which sells school supplies, would be sold to Mr. Edgell's new company while the History Book Club would be sold separately to another buyer.

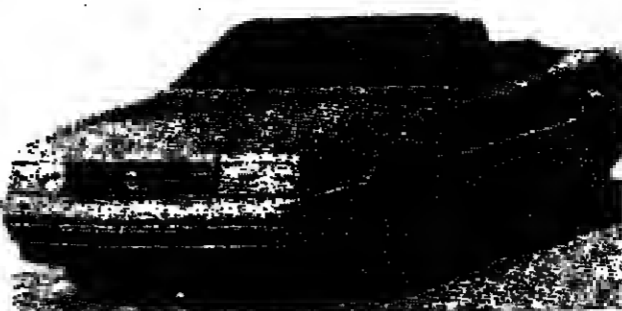
The company has also said it will undertake an austerity program including asset sales, staff reductions and wage freezes. (AP Reuters)

**Cadillac's Allante: High Hopes, Sluggish Start**

By John Holusha  
New York Times Service

DETROIT — The two-seat, \$55,000 Allante model was billed as the "new spirit of Cadillac" when it was introduced in March. But judging from sales thus far, the spirit may still be willing, but consumer interest is weak.

Cadillac officials concede that they are disappointed by an autumn sales decline, but insist that the Allante is accomplishing its primary goal: re-establishing the Cadillac brand as the equal of such high-priced European makes as Mercedes-Benz, BMW and Jaguar.



ic car," said David A. Banks, a Cadillac dealer in Concord, New Hampshire.

"The main objective of Allante is today, and always has been, what it can do for Cadillac as a whole, not mass production," said John O. Gretzenberger, the general manager of the division.

With just two seats, a 130 mph (210 kph) top speed and removable soft and hard tops, the Allante is clearly patterned after the Mercedes-Benz 560SL roadster, which currently sells for \$61,000.

Some analysts say the Allante does not make a bold enough statement to set a new tone for the division.

"The Allante did not proclaim anything new, interesting or different," observed Leon Mandel, a columnist with Autoweek magazine. "But nothing else would have gotten approved. It had to adhere to GM orthodoxy."

The Allante has been a learning experience for the division and Cadillac dealers in the care and handling of buyers prepared to spend more than \$50,000 for a car, according to Mr. Gretzenberger.

"It's not something people just walk in and order. In many cases the sales are being consummated in their offices, restaurants and homes," he said.

"Cadillac deserves to be in the ultra luxury segment," Mr. Gretzenberger said.

It remains to be seen, however, whether consumers agree with him.

**Market Gain Unlikely in '88, GM Says**

DETROIT — General Motors Corp. will not be able to regain the U.S. market share it lost during the 1987 model year, according to the company's executive vice president, Lloyd E. Reuss.

Mr. Reuss told the Detroit Free Press in an interview published Sunday that GM's Oldsmobile and Buick divisions, whose sales have shown the greatest year-to-year declines, will have a hard time increasing their market share next year.

Only six weeks ago, corporate officers predicted GM would increase its share of the U.S. car market to 40 percent in the new model year, which began Oct. 1, from 37 percent in the 1987 model year.

"I don't see that in 1988," Mr. Reuss was quoted as saying. "In the longer term, we're geared for a 40 percent market share. That's once we get all the plants up," he said, referring to production facilities for GM's new intermediate models.

best known for its Ferrari designs — to do the exterior styling and actually build the bodies for the new car.

Cadillac officials predicted they would sell 6,000 Allantes a year, or about 500 a month. Early sales did not reach this target, but were respectable, ranging from about 250 to 280 a month. But in September sales plunged to 107

cars and rebounded only slightly in October and early November, raising questions about the model's long-range prospects.

Dealers generally praise the car, but say that customers are having trouble accepting the Allante's stiff price.

"It is going to take awhile for American buyers to get used to paying over \$50,000 for a domes-

**Southmark, ICH to Merge In Deal Worth \$237 Million**

LOUISVILLE, Kentucky — Southmark Corp. has signed a letter of intent to merge with a subsidiary of ICH Corp., creating an insurance and financial services company with more than \$20 billion in assets, the companies said Monday.

Based on ICH's current market price, Southmark shareholders would get stock worth about \$5.17 for each share, giving the transaction an indicated value of about \$237 million.

Under the merger, ICH would exchange two shares of its common stock for every three shares of Southmark common. Southmark has about 45.9 million common shares outstanding.

ICH traded at \$7.75 a share Monday in early activity on the American Stock Exchange, unchanged from Friday's close. Southmark dipped 62.5 cents to \$6.125 on the New York Stock Exchange.

ICH, based in Louisville, is an insurance holding company with assets of approximately \$8.5 billion and life insurance in force of more than \$80 billion.

Southmark, which has its headquarters in Dallas, is an asset-based financial services company with interests in property management, home building, money management, savings and loan and health care. It controls more than \$12 billion in assets as well as insurance companies with more than \$2.1 billion in life insurance in force.

The proposed transaction calls for Southmark to retain its legal and marketing identity. Southmark's chairman and chief executive, Gene Phillips, would also become vice chairman of ICH.

**MARKETS: Robeco Sits Tight**

(Continued from first finance page)

its three largest positions were 600,000 shares of International Business Machines, valued at \$72 million; 1.2 million shares of Exxon valued at \$50 million; and one million shares of General Electric, valued at \$48 million.

Robeco executives are also pleased that the mutual fund has about 20 percent of assets in the Japanese market, which was hit hard by the stock collapse but is judged by many to have suffered less than the U.S. market.

By mid-October, Robeco also had boosted its cash position to 8 percent from 5 percent at the end of June because management felt that stock prices were reaching levels at which a correction could be expected.

Nevertheless, the Dutch, despite their reputation as skilled international traders, hardly anticipated so drastic a fall in prices. "I did not think the risks were that high," Mr. Yeer said. "We felt wrongly that a correction would come from the bond market."

Roughly 60 percent of Robeco's investors are Dutch. The fund's management believes that the bulk of its shareholders are wealthy individuals and institutional clients, along with a number of middle-income people. According to Mr. Engelberts, only one in every eight homes in the Netherlands, or about 13 percent, invests in the market, a much lower figure than in the United States. Mr. Engelberts believes that Robeco's investors may be

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**BUSINESS ROUNDUP**

**ANZ's Debt Fund Rises but Net Is Up**

MELBOURNE — Australia & New Zealand Banking Group disclosed Monday that it had sharply increased its provisions for Third World debt as well as any debts arising from the stock market collapse.

The profit, which exceeded analysts' forecasts, was helped by a 15% million dollar pension-fund surplus in the year ending Sept. 30 from 196.7 million dollars in 1985-86.

Despite the increase in debt provisions, net profit for the year ended Sept. 30 jumped 21 percent to 385.15 million dollars. Revenue also grew 21 percent, to 8.08 billion dollars.

The sharp increase in the debt provisions reflected plans of the group's 22 Third World debtors to reschedule their borrowings and included a buffer for any unseen bad debts from the stock market slump, said W.J. Bailey, the banking group's managing director.

"We're very comfortable with our levels of provisioning," Mr. Bailey said.

He added, "We haven't lost one cent from any of the activities of so-called entrepreneurs, because in each case we looked at the complete deal, made certain it was safe and knew where the repayments were coming from."

ANZ has about 25 percent of the Australian trading bank market and similar shares of other banking sectors, according to analysts.

"It is a satisfactory result with some very prudent provisioning," said Craig Drummond, a banking analyst with J.B. Were & Son.

**JAL Going Private, Seeks to Diversify**

TOKYO — Japan Air Lines will become a fully private company Wednesday under new rules allowing it to enter such businesses as resort development and education projects, it said Monday.

Japan's Diet, or parliament, voted Sept. 4 to abolish the 1953 Japan Air Lines Co. Ltd. Law, which gave the government partial control of the airline. The government has set Wednesday as the abolition date.

On Tuesday, a JAL statement said, there will be an extraordinary stockholders meeting to approve new company guidelines allowing a new range of business activities.

It said that the National Property Council had approved details of the sale of the government's 48.1 million JAL shares, or 34.5 percent of the airline's total equity. It said that the sale was expected in mid-December. As of June 30, JAL had 139.25 million shares outstanding, with about 39,000 shareholders.

**Holmes à Court's Prospects Are Not Dire, Analysts Say**

Compiled by Our Staff From Dispatches

SYDNEY — The stable of companies controlled by Robert Holmes à Court is not in as much trouble as market rumors or news reports suggest, leading stock analysts said Monday.

Shares in Bell Group Ltd., Bell Resources Ltd., and J.N. Taylor Holdings Ltd. were among those posting the steepest declines in the Australian stock market. But analysts said that rumors about the group's finances were partly responsible for the declines.

"I don't think they're in trouble; it's been overdone," said Tony Moody of A.C. Goode & Co. "Certainly his asset base has been eroded, but his basic assets haven't fallen as much as the market overall. I think he will come out of this very strongly."

Most of the market rumors have centered on the prospects for a negative cash flow in 1988 for Bell Resources. The analysts said it was still likely that Mr. Holmes à Court would resolve the problem by making a long-expected bid for the 70 percent of Broken Hill Pty., Australia's biggest company, that he does not already hold.

Mr. Moody said that to go after BHP, Mr. Holmes à Court would probably first have to dispose of his 9.5 percent stake in Texaco Inc. Analysts estimated that Bell Resources was facing a loss of about 230 million Australian dollars (\$157.6 million) on Texaco if it sold at current prices, but that BHP earnings would help it recoup any loss.

Responding to reports that Bell Group was preparing to sell its 8.2 percent holding in the British retail group Sears PLC for 338 million Australian dollars, a spokesman for Bell said that it had rejected a number of bids for various parts of the group. He said there was no incentive to sell "for what was being offered."

**LAUNDRY: A New Era in China**

(Continued from first finance page)

have laundries throughout China. "We'll start in Tianjin, then Beijing and then all over," he said. "There are so many big cities," he said, his face brightening at the possibility of taking in shirts for a billion Chinese.

The dry-cleaning operation, which did not require as much power, is operating with a staff of 12, offering three varieties of service: two hours, same day and next day. A little better than six months.

Mr. Chao over expected to be doing China's laundry. As a youth he fought the Japanese during World War II, surviving capture, and later served as liaison between the Nationalist government and U.S. military forces. When the Nationalists were defeated in 1949, Mr. Chao and his wife Elizabeth fled to Hong Kong, where he operated several restaurants, a nightclub and a limousine service.

Twenty years later he emigrated to the United States, managing apartment houses in the San Francisco area. He set up coin-operated laundries in the buildings, which led him into his laundry business.

His reconciliation with his native land came five years ago through his involvement with a Beijing opera company in San Francisco.

Mr. Chao said that his former affiliation with the Nationalist government was well known to the Communist authorities, but no longer mattered. "Of course they knew," he said. "They just wanted to forget old times." Pragmatism had replaced ideology, both for him and for the government, he said.

"I put every card on the table — no hiding," he said.

Mr. Chao has arranged other deals with the Chinese. He imports a white wine from China called Spring Moon, now on sale in numerous oriental restaurants in the United States. He is also negotiating to import nylon bags, eye visors and other items.

The goal of all this is not quick profits, but a foothold in China for the future. For example, he said, by opening the laundries he hopes ultimately to be able to manufacture washing machines, carpet-cleaning machines and the like in China.

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G: YEN BONDS	¥111.20
H: ECU BONDS	ECU10.37
I: STERLING EQUITY	\$8.29
J: U.S. EQUITIES	\$10.66
K: JAPANESE EQUITIES	¥105.00
L: GLOBAL EQUITIES	\$9.80
M: STERLING "CASH"	£10.17
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One of the few companies in the world capable of building a 4 megabit memory chip in silicon haspon on a low budget of about \$4 million to produce 500,000 chips during the production of late October. The current Indigo report carries a short that points to an expected 50% profit margin in the first quarter of 1988. Indigo is returning after last quarter's massive expansion that pushed the company ahead of the Japanese in 256K D-RAMS and yielded a deliverable 1-megabit product. While phone or sales for complimentary Indigo reports which uncover such potential generators of dramatic gain.

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**FINLEY: Wracked by Dissension and Debt, Huge U.S. Law Firm Seems Certain to Crumble**

(Continued from first finance page)

firm is not going to exist by the first of next month," said Steven Brill, editor of *The American Lawyer*, a monthly magazine that has long predicted the firm's demise.

"The problem was, they were never really a law firm," he said. "It was a group of salesmen selling legal services. They paid people too much money simply for getting business."

Thomas Tew, one of the key Florida partners, said the firm's "downfall" began when it abandoned its goal of being a meritocracy and instead favored its business-generators and managers.

"Every lawyer has to produce a certain amount of billed time and not just be a salesman," he said. "Every partner has got to add revenue from his own efforts to the firm. I think we took our eye off the goal."

Finley, Kumble brought a takeover philosophy to growth. Early on, he offended the leaders of the profession by violating a sacred, but unwritten, rule among top law firms. Mr. Myerson, who joined the firm in 1984, summed up that rule: "You leave our lawyers alone; we leave our clients alone; we leave our clients alone."

Finley, Kumble snared big-name partners, and sometimes entire de-

partments, from well-known firms, and acquired smaller practices around the country.

It built up strong litigation, corporate and real estate departments. And by capitalizing on the political connections of its partners, it developed in two years a solid business in government finance.

Now, said Alan M. Gelb, a senior partner in New York, "we are a major contender for every municipal bond issue and state bond issue all around the United States."

Finley, Kumble has been called everything from "a franchise operation" by Milton Gould, one of the founders of New York's Shea & Gould, to a "monstrosity" by Norman Roy Grutman, a former Finley, Kumble partner who left in 1976 because of differences over the direction the firm was taking.

Finley, Kumble has brought in many lawyers who were founders, managing partners or big-business generators at their old firms. These include Mr. Myerson and Marshall Manley, who set up Finley, Kumble's California practice nine years ago.

The roster also contains three former senators, Russell B. Long of Louisiana, Paul Laxalt of Nevada and Joseph D. Tydings of Maryland; a sprinkling of former members of the House of Representatives and a host of former judges and prosecutors.

Trying to keep this high-powered cast of characters in line has not proved easy.

The key Florida partners, James F. Jordan, John H. Schulte and Thomas Tew, were opposed to the huge salaries of some of the leading partners in New York and Washington, for example.

Mr. Laxalt and Mr. Long were given \$800,000 salaries when they

few years, Mr. Kumble, 54, has had well-publicized fights with Mr. Manley, Mr. Myerson and another key partner, Andrew N. Heine.

Mr. Manley withdrew from the firm's management two years ago, reportedly in large measure because of the incessant fighting.

Mr. Heine, who is credited with building the firm's corporate department from scratch, left last

month. He, too, is known to have grown tired of the fighting. He is also said to have been concerned about mounting debt and uncontrolled growth.

A détente of sorts had seemingly been reached by the partnership in February when it was decided that no new offices were to open and no new partners were to be brought in from other law firms.

But that apparently was not enough to satisfy the Florida and California lawyers, who continued to demand a greater voice in the running of the firm.

In response, the 30-member national management committee de-

**'It's quite clear to me that the firm is not going to exist by the first of next month.'**

Steven Brill, editor of *The American Lawyer*

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JPL, 10/15/87





CURRENCY MARKETS

DOLLAR: Its Rally Falter

(Continued from Page 1) surplus with the United States and take pressure off the dollar.

The Japanese central bank's governor, Satoshi Sumita, reaffirmed earlier Monday that he had no plans to reduce the bank's official discount rate, currently at 2.5 percent.

EC finance ministers, meanwhile, issued a statement in Brussels saying: "The European countries intend to cooperate actively with other countries in decisions to ensure a more stable development of world financial and foreign exchange markets."

The statement said that ministers agreed to improve conditions for internally generated, noninflationary economic growth. But it stressed the need for an early decision on further substantial cuts of the U.S. budget deficit.

Britain's chancellor of the Exchequer, Nigel Lawson, said that a "reduction of the U.S. budget deficit is a prerequisite for a meeting of the Group of Seven industrialized nations."

The United States has long criticized its European trading partners for failing to stimulate their economies so that they would accept more U.S. exports and improve Washington's negative trade balance.

The ministers' statement stressed the importance of continuing the

London Dollar Rates

Table with columns: Currency, Rate, and other financial data.

BONN: Government Agrees to Let Budget Deficit Grow

(Continued from Page 1) said that Washington should expect no other dramatic pro-growth steps from Bonn in return for an expected agreement between the White House and Congress on measures to rein in the U.S. budget deficit.

The United States, other allies of West Germany and the nation's leading economic research institutes have recommended that part of the 1990 tax cut be brought forward to next year or 1989 to stimulate consumer demand and help raise West Germany's sluggish growth rate.

A U.S. official said that Washington remains dissatisfied with the West German plans. He said the West Germans were not offering to do enough. He complained specifically that they "don't seem to be willing to accelerate their tax cut."

The Bundesbank has taken some "helpful" steps in recent weeks to halt a rise in short-term interest rates, the U.S. official said. But he added that "in the longer term, there's a feeling that their economy is slowing down when it should be speeding up."

The Bundesbank nudged short-term interest rates down on Nov. 5 by three-tenths of a percentage point, and a monetary source said they "cannot imagine" that rates would rise in coming weeks.

The central bank is committed to a sufficiently relaxed monetary po-



Edouard Balladur of France and Gerhard Stoltenberg of West Germany at the EC finance ministers' meeting.

lity to help financial markets deal with the falls in stock prices and the dollar, officials said.

"I think that we already have shown that we are willing to be flexible," a Bundesbank source said.

But tight-money advocates on the Bundesbank's governing council already are skeptical about the government's new policy, which they fear will add to inflationary pressures next year.

The U.S. Treasury secretary, James A. Baker 3d, has said that the U.S. government would seek a

LOUVRE: Some View Pact as the Cause of Stock Plunge

(Continued from first finance page) investment firm of Phillips & Drew, in London, disagreed.

"It's the consensus opinion that the dollar had to come off another 10 percent after the Louvre agreement," he said. "But there were other factors, starting with the perceived policy vacuum in Washington. When there is a policy vacuum in the world's biggest industrial nation, it causes uncertainty, and markets hate uncertainty."

"A lot of markets were overvalued," he said, "and it was a correction looking for an excuse to happen."

Stephen Marris, an economist with the Institute for International Economics in Washington, agreed that the Louvre accord overvalued the dollar.

But, he said, if Washington had reduced its budget deficit, and Bonn and Tokyo had lowered interest rates and stimulated consumption as much as was promised, the downward pressure on the dollar would have been relieved by indications that the U.S. trade deficit would soon fall substantially.

Because of the reduced pressure on the dollar, interest rates, in theory, would not have had to rise so much, thus reducing the likelihood of a stock market plunge.

"If things had been going the right way in terms of international cooperation," Mr. Marris said, "the G-7 nations could have chosen a

moment of calm in the markets to have a meeting and rebase the dollar," he said, "and it was a correction looking for an excuse to happen."

Like Mr. Payne of the OECD, Mr. Marris defends such international agreements as the Louvre accord. Although they may not deliver everything they promise, their supporters say, the agreements give ammunition to government leaders to help tell voters that they might have to take certain steps for the world's good, even though these measures might hurt a bit at home.

Fed Seeks 'Elastic' Policy

WASHINGTON — The Federal Reserve Board must follow an "elastic" monetary policy in coping with the fallout of the stock market collapse, its vice chairman, Manuel Johnson, said Monday.

Asked at a banking conference whether the Fed would be prepared to absorb the temporary liquidity it has pumped into the banking system lately, Mr. Johnson replied: "You have to be able to draw it back at some point if things return to normal."

Mr. Johnson disputed the argument that tight monetary policy had contributed to the stock market collapse Oct. 19.

"I certainly don't believe it was associated with monetary policy," he said.

Late last week, economists said that the Fed's most recent open market activities indicated that it views the relative stability of the U.S. stock market and the latest economic numbers as a signal that it no longer needs to pump cash into the financial system as vigorously as it did just two weeks earlier.

Discount-window borrowings averaged a low \$165 million a day in the week ended Nov. 11, the first half of the statement period. In the previous week they were \$254 million, and they averaged \$287 million in the last statement period. Federal funds averaged 6.68 percent in the week to Wednesday, compared with 6.43 percent the previous week.

"From the tenor of the Fed's open market intervention and the Fed funds rate, it looks like in early November the Fed began to stabilize credit policy, no longer aggressively re-liquifying the system," said William Sullivan of Dean Witter Reynolds Inc.

Monday's OTC Prices NASDAQ prices up to 4 p.m. New York time. Via The Associated Press

Table of OTC prices for various stocks, including columns for High, Low, and Change.

Table of stock prices for various companies, including columns for High, Low, and Change.

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SPORTS

Chargers Beat Raiders, 16-14, to Go 8-1; Saints' 40-Yard Kick Upsets 49ers, 26-24



Safety Jeff Donaldson made a true flying tackle on running back Rodney Carter of the Steelers as the Oilers won, 23-3.

The Associated Press SAN DIEGO — The San Diego Chargers, with a commitment to change this season, may have become the best team in the National Football League. The Los Angeles Raiders, with a "commitment to excellence," seem doomed to mediocrity.

their longest losing streak since 13 games in 1962. "That little guy named Abbott nailed the coffin shut tonight," Howie Long, the Raiders' all-pro defensive end, said of the team's flagging playoff hopes.

A Tune-Up for Skis Enables Proper Gliding, Maneuvering

By Janet Nelson New York Times Staff Writer NEW YORK — Tune-ups. We give them to our cars, our bodies, our golf and tennis games. Skis are no different, and the tune-ups they need are every bit as sophisticated as those we seek in the body shops.



Charles Mann got a ride as he sacked Detroit quarterback Chuck Long while the Redskins, by 20-13, were beating the Lions a 12th straight time.

Backpack quarterback Jeff Rutledge, subbing a second straight week for injured Phil Simms, was 16 of 29 passing for 298 yards and a touchdown in helping lead the Eagles' three-game winning streak.

'A ski that glides properly not only moves faster, it's easier to maneuver.'

Blake Lewis worked for the Atomic Ski Co. in 1984, when the job he did for Johnson earned him a reputation as the world's greatest ski tuner.

Plymouth State's Coaches: All Basketball and Babies

By Mike Recht The Associated Press PLYMOUTH, N.H. — The basketball coaches at Plymouth State University had this routine during games. Phil Rowe watched the women's game from the stands while attending to the needs of his baby daughter, Chia.

SCOREBOARD

Table containing U.S. College Standings, Football, and CFL Playoff Schedule. Includes columns for conference, team, and record.

Table containing NFL Standings, Transition, Basketball, and Hockey. Includes columns for team, record, and game details.

Advertisement for Blancpain watches, featuring a large image of a watch and text: 'MORE THAN 10,000 HOURS TO DEVELOP THIS MASTERPIECE.' Includes contact information for the watch shop.

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ART BUCHWALD
Stock Market One-Liners

WASHINGTON — You are going to your relatives for Thanksgiving dinner and you want to be very bright and say something meaningful. The subject up for discussion will probably be the stock market, so put these in your portfolio and use them as needed.
"I would rather have a Black Monday than a red-nosed reindeer."
"I last \$100,000 in General Motors, and I didn't even have to buy a car."
"I say there is a downside to every upside, and that's why God sends us economic signals."
"Congress had done something about the lousy deficit, the market wouldn't have dropped through the floor."
"if the president had done something about the lousy deficit, the market wouldn't have dropped through the floor."
"if the lousy deficit had done something about the president, the market wouldn't have dropped through the floor."



Two Van Goghs Pulled From Sale

PARIS — Two paintings by Vincent van Gogh, whose "Iris" and "Sunflowers" recently fetched record prices at auction, have been withdrawn from a sale to be held here on Friday and will remain in France, the auctioneer Jodi-Marie Millon said Monday.
The two paintings, "Peasant Woman by the Fire" and "The Roots of the Hague," one valued at an estimated 2.8 million francs (about \$485,000) and the other at 40 million francs (\$6.95 million) are from the collection of Georges Restand, the late owner of a large Paris department store.
They are both to go to French museums, one as a gift, the other in lieu of tax, Millon said.
All the other paintings in the collection, including some by Modigliani and Matisse, will be sold freely and granted an export license if required, he added.

John Boorman: Child's-Eye View of War

By Hal Hinson
Washington Post Service
NEW YORK — "Hope and Glory" is John Boorman's fervent, comic recollection of those happy days during the Blitz when the enemy's "friendly bombs," as the British poet John Betjeman called them, tore into the London suburb of semi-detached houses in which he and his family lived.
"How wonderful was the war," Boorman, now 54, writes in the preface to the published screenplay. "It gave common cause, equal ratios, common endeavor, but most delightful of all a myth, nurtured by wireless, newspaper and cinema, that allowed the 'normal' people to keep their garden gates, while over their shoulders the arms of patriotism..."
The movie, which has just opened in the United States following its premiere in London, is a deeply personal work, and in its approach is more direct, less enfolded by myth and fantasy, than it was in "Deliverance" or "Excalibur" or, most recently, "The Emerald Forest."



Boorman: "For the children of the Blitz, the war was a wondrous playground."

some people who felt that war is horrible and awful and not particularly funny. Young people, in particular, seemed to be bit shocked by it. I was questioned — taken to task really — because some felt that perhaps it was immoral to suggest that war could be fun. Wouldn't this encourage people to feel that perhaps war isn't as bad as it's made out to be? And the only answer I could give is that I can't imagine anyone actually thinking that this film is pro-war.
The fact is, it was a particular time and place, in a sense, it was a reversal of conventional war. Usually the men go off and fight and women and children stay behind and wait. But here, as I tried to show in the film, the opposite was true.
Centering the film within the perspective of the child is what gave Boorman the license to treat the war as a grand adventure, but the balancing act between what the child knows and what we, as spectators, know was a difficult one to maintain.
The film is as much about a release from the world of women as from the dreary circumstances of the semi. And it's this sense of being surrounded, outnumbered, lost in femininity, that provides much of the film's humor.
"I was the only male," he says, "and yet, because I was only 7 or 8, I wasn't considered to be a male, so they behaved as if there weren't any males present at all. As a result, I was exposed throughout to the way women behave when there are no men around. I was always acutely aware of all this female behavior and I wanted to get away from it."
At the same time, the film is a homage to women, "inspired by my admiration, affection and, indeed, awe for my mother and her three sisters."

ern United States to make "Deliverance"?
After leaving the river idyll of his boyhood, he lived around London making documentaries for television. Between 1956 and 1964, he says, he made hundreds of them, some quite audacious for their day. But the restrictions of factual reporting, even in the experimental style he employed, became too restrictive.
Boorman went on, in 1965, to make his first feature, "Catch Us If You Can," starring the Dave Clark Five, and riding the wave of good response to that film, headed for California.
Boorman claims to have had tremendous great luck in Hollywood, but after making "Hell in the Pacific" in 1968, he and his wife Christel fled to pack up their daughters and flee to Ireland. In Ireland, Boorman set down roots and later wrote about the experience.
"I feel myself very sensitive to the spirit of place," Boorman confesses. "At my house in Ireland I just planted 6,000 oaks, trying to reproduce the conditions of the primeval oak forest, with the underplanting of holly and hazel and so forth. And I have a river that runs through my place. Being there amongst those things is something I need very much."
The forest, the river, the liberation through violence — these are the themes and symbols in Boorman's personal mythology.
"But I don't really know why I make films," he says. "It's not that you're writing a film," Boorman explains, "you forge it in a certain pattern. Then when you actually start to shoot it, the movie gathers strength and takes on its own voice. And you listen to this voice — this song, this tune — and you have to respond to it. You end up serving it."

PEOPLE

Former Priest Weds Actress in California

Terrance Sweeney, an author and former Jesuit who was suspended from the Catholic priesthood two years ago, was married in an Episcopal ceremony in Pacific Palisades, California, to Pamela Steop, 38, a television actress who belonged to his Beverly Hills parish. Sweeney, the author of the book "Streets of Anger, Streets of Hope," has won five Emmy Awards for television writing and producing.
The violinist Itzhak Perlman played Bach's "Chaconne" in a half-filled, second-run movie house in Warsaw's former Jewish ghetto early Sunday. It was a moving tribute to the Israeli Philharmonic Orchestra's first tour of Poland. The formerly Jewish-owned theater in the ghetto was the home of a Jewish symphony orchestra for two years until 1942, when the ghetto was walled in by Warsaw's Nazi occupiers. That orchestra's members performed for residents who, like themselves, died of starvation, disease or in the gas chambers of Nazi death camps. Israeli Philharmonic members had expressed their wish to play a musical tribute in the same theater but the formalities were not settled until late Saturday. The orchestra then traveled to Hungary, where Sunday evening it gave its first ever concert in Budapest. The 1,800-seat Budapest concert hall was packed and the people gave the orchestra a 15-minute shower of applause.

Share Eite has retained the literary agent Irving Lerner to auction the paperback rights to her book "Women and Love," which has come under increasing attack by academic specialists. At the same time, Lerner is trying to interest publishers in a novel by Hite. Eite's previous literary agent, Sterling Lord, resigned last week.

John Cephas and Phil Wiggins, a traditional guitar and harmonica duo, were named blues entertainers of the year, while Robert Cray won six awards Sunday at the eighth annual blues awards known as The Handy Awards. Cray figured in awards including those for song of the year, contemporary American album, top single, contemporary male artist, vocalist and band.

ANNOUNCEMENTS

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